
A BILL FOR AN ACT

RELATING TO THE HAWAII TOURISM AUTHORITY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I

2 SECTION 1. The legislature finds that the Hawaii
3 convention center is the largest convention and exhibition
4 facility in the State, offering more than one million square
5 feet of meeting space that can accommodate up to thirteen
6 thousand guests. Since its completion in 1997, the Hawaii
7 convention center has hosted countless conventions, exhibitions,
8 meetings, and sporting events. It has also been a critical
9 center for emergency response operations, serving as an
10 unemployment insurance processing and contact tracing hub during
11 the COVID-19 pandemic and offering critical emergency shelter
12 space during recent hurricanes and wildfires.

13 The legislature further finds that the Hawaii convention
14 center is twenty-five years old and is beginning to show its
15 age. Funding for capital improvements is urgently needed to
16 ensure that this critical piece of state infrastructure can
17 continue to be used to its full potential.



1 Accordingly, the purpose of this Act is to:

2 (1) Explicitly authorize the use of general obligation
3 bond funds to supplement the convention center
4 enterprise fund;

5 (2) Require the Hawaii tourism authority board of
6 directors to expressly approve any use of general
7 obligation bond proceeds prior to expenditure;

8 (3) Clarify that moneys in the convention center
9 enterprise fund may be used for any ongoing or future
10 major repair, maintenance, and improvement of the
11 convention center facility; and

12 (4) Authorize the issuance of general obligation bonds and
13 provide for the use of the bond proceeds for the
14 ongoing or future major repair, maintenance, and
15 improvement of the convention center facility.

16 SECTION 2. Chapter 201B, Hawaii Revised Statutes, is
17 amended by adding a new section to part I to be appropriately
18 designated and to read as follows:

19 "§201B- Issuance of bonds. (a) The director of
20 finance may issue general obligation bonds pursuant to chapter
21 39 in amounts authorized by the legislature.



1 (b) The proceeds of the bonds shall be deposited into the
2 convention center enterprise fund established pursuant to
3 section 201B-8 and may be used for the purposes of that section;
4 provided that the use of any general obligation bond proceeds
5 shall be expressly approved by the board prior to any
6 expenditure."

7 SECTION 3. Section 201B-8, Hawaii Revised Statutes, is
8 amended by amending subsections (a) and (b) to read as follows:

9 "(a) There is established the convention center enterprise
10 special fund, into which shall be deposited:

11 (1) A portion of the revenues from the transient
12 accommodations tax, as provided by section 237D-6.5;

13 (2) All revenues or moneys derived from the operations of
14 the convention center to include all revenues from the
15 food and beverage service, all revenues from the
16 parking facilities or from any concession, and all
17 revenues from the sale of souvenirs, logo items, or
18 any other items offered for purchase at the convention
19 center;

20 (3) Private contributions, interest, compensation, gross
21 or net revenues, proceeds, or other moneys derived



1 from any source or for any purpose arising from the
2 use of the convention center facility; ~~and~~

3 (4) Appropriations by the legislature for marketing the
4 facility pursuant to section 201B-7(a) (7) ~~[7]~~; and

5 (5) Proceeds of general obligation bonds issued pursuant
6 to section 201B- .

7 (b) Moneys in the convention center enterprise special
8 fund shall be used by the authority for the payment of expenses
9 arising from any and all use, operation, maintenance,
10 alteration, improvement, or any unforeseen or unplanned repairs
11 of the convention center, including without limitation the food
12 and beverage service and parking service provided at the
13 convention center facility~~[7]~~; the sale of souvenirs, logo
14 items, or other items~~[7]~~; for any ongoing or future major
15 repair, maintenance, and improvement of the convention center
16 facility as a commercial enterprise or as a world class facility
17 for conventions, entertainment, or public events~~[7]~~; and for
18 marketing the facility pursuant to section 201B-7(a) (7)."

19 PART II

20 SECTION 4. In accordance with section 9 of article VII, of
21 the Constitution of the State of Hawaii and sections 37-91 and



1 37-93, Hawaii Revised Statutes, the legislature has determined
2 that the appropriation contained in this Act will cause the
3 state general fund expenditure ceiling for fiscal year 2024-2025
4 to be exceeded by \$, or per cent. The reasons
5 for exceeding the general fund expenditure ceiling are that the
6 appropriation made in this Act is necessary to serve the public
7 interest and to meet the needs provided for by this Act.

8 SECTION 5. The director of finance is authorized to issue
9 general obligation bonds in the sum of \$ or so much
10 thereof as may be necessary and the same sum or so much thereof
11 as may be necessary shall be deposited into the convention
12 center enterprise fund established pursuant to section 201B-8,
13 Hawaii Revised Statutes.

14 SECTION 6. There is appropriated out of the convention
15 center enterprise fund the sum of \$ or so much
16 thereof as may be necessary for fiscal year 2024-2025 for the
17 ongoing or future major repair, maintenance, and improvement of
18 the convention center facility.

19 The sum appropriated shall be expended by the Hawaii
20 tourism authority for the purposes of this Act.



H.B. NO. 1519

1 SECTION 7. The appropriation made for the capital
2 improvement project authorized by this Act shall not lapse at
3 the end of the fiscal biennium for which the appropriation is
4 made; provided that all moneys from the appropriation
5 unencumbered as of June 30, 2026, shall lapse as of that date.

6 SECTION 8. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 9. This Act shall take effect on July 1, 2024.

9

INTRODUCED BY: _____



JAN - 5 2024



H.B. NO. 1519

Report Title:

HTA; Hawaii Convention Center; Capital Improvements; Convention Center Enterprise Fund; General Obligation Bonds; Appropriation

Description:

Authorizes the deposit of general obligation bond funding into the convention center enterprise fund. Requires the Hawaii Tourism Authority board of directors to approve the use of any general obligation bond proceeds prior to expenditure. Clarifies that convention center enterprise fund moneys may be used for any ongoing or future major repair, maintenance, and improvement of the convention center facility. Declares that the general fund appropriation breaches the expenditure ceiling. Authorizes the issuance of general obligation bonds. Appropriates funds to repair, maintain, and improve the Hawaii convention center.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

