

JAN 23 2025

A BILL FOR AN ACT

RELATING TO THE STADIUM DEVELOPMENT SPECIAL FUND.

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

1 SECTION 1. The legislature recognizes the new aloha
2 stadium entertainment district as a critical project for the
3 State. The project promises significant benefits to the
4 community and serves as an exemplar for large-scale
5 public-private partnerships within the State.

6 The State is deeply committed to ensuring the success of
7 the new district. The State's project team, which comprises the
8 department of accounting and general services and the stadium
9 authority, has meticulously procured and contracted with a
10 master developer. The objective is to complete the new aloha
11 stadium and the first phase of the district development by
12 summer 2028. This process includes several key milestones to be
13 achieved throughout 2025.

14 The purpose of this Act is to amend section 109-3.5, Hawaii
15 Revised Statutes, to require the stadium authority to meet any
16 condition set by the legislature on an appropriation to the
17 stadium development special fund, and to appropriate moneys from



1 the stadium development special fund to the stadium authority
2 for fiscal year 2025-2026, subject to the completion of specific
3 project readiness conditions. The amendment also provides
4 safeguards to ensure that unexpended funds are returned to the
5 general fund if the project is terminated.

6 SECTION 2. Section 109-3.5, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "~~§~~109-3.5~~§~~ Stadium development special fund;

9 **established.** (a) There is established in the state treasury
10 the stadium development special fund, into which funds collected
11 by the stadium authority shall be deposited, including:

12 (1) All revenues from the stadium development district,
13 including but not limited to agreements or actions
14 generating revenue related to stadium operations,
15 lease or rental of facilities or land, concessions,
16 food and beverage, parking, sponsorship and
17 advertising, utilities and infrastructure, and
18 development;

19 (2) All gifts or grants awarded in any form from any
20 public agency or any other source for purposes of the
21 stadium development district;



1 (3) All proceeds from revenue bonds issued for the purpose
2 of the stadium development district; and

3 (4) Appropriations made by the legislature to the fund.

4 (b) Moneys in the stadium development special fund shall
5 be used by the stadium authority for the payment of expenses
6 arising from any and all use, operation, repair, maintenance,
7 alteration, improvement, development, or any unforeseen or
8 unplanned repairs of the stadium development district, including
9 without limitation:

10 (1) The development, operation, and maintenance of a new
11 stadium;

12 (2) Food and beverage service and parking service provided
13 at the stadium facility; the sale of souvenirs, logo
14 items, or other items; any future major repair,
15 maintenance, and improvement of the stadium facility
16 as a commercial enterprise or as a world-class
17 facility for athletic events, entertainment, or public
18 events; and marketing the facility pursuant to section
19 109-2(4) and (8); and

20 (3) Contractual payments to developers or contractors
21 engaged by the stadium authority for the purpose of



1 redeveloping the site and related on- and off-site
2 infrastructure that benefits the stadium district and
3 its development guidance policies.

4 (c) Any condition imposed by the legislature on a
5 legislative appropriation to the stadium development special
6 fund shall be met before expenditure of the appropriated funds;
7 provided that the legislature intends for the condition to be
8 met prior to expenditure. Any unexpended and unencumbered funds
9 in the stadium development special fund shall be immediately
10 lapsed to the general fund if the project is terminated."

11 SECTION 3. There is appropriated out of the stadium
12 development special fund the sum of \$49,500,000 or so much
13 thereof as may be necessary for fiscal year 2025-2026 for the
14 purposes of the stadium development special fund pursuant to
15 section 109-3.5, Hawaii Revised Statutes; provided that the
16 development timelines set by the stadium authority have been met
17 for the new aloha stadium entertainment district.

18 The sum appropriated shall be expended by the stadium
19 authority of the department of business, economic development,
20 and tourism for the purposes of this Act; provided that all
21 moneys remaining in the special fund that are not expended or



1 encumbered by the new aloha stadium entertainment district is
2 terminated before completion shall lapse to the general fund.

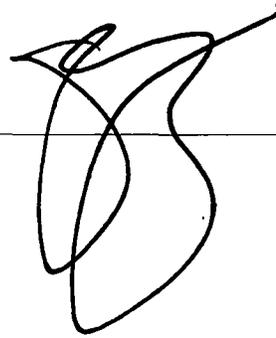
3 SECTION 4. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 5. This Act does not affect rights and duties that
6 matured, penalties that were incurred, and proceedings that were
7 begun before its effective date.

8 SECTION 6. This Act shall take effect on July 1, 2025.

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INTRODUCED BY: _____

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S.B. NO. 1589

Report Title:

Department of Accounting and General Services; Stadium Authority; Stadium Development Special Fund; Appropriation

Description:

Requires conditions placed on appropriations to the Stadium Development Special Fund to be met before expenditure. Subjects expenditure by the Stadium Authority of an appropriation out of the Stadium Development Special Fund on the completion of specific project readiness conditions. Appropriates moneys.

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