STAND. COM. REP. NO. (775

Honolulu, Hawaii

MAR 18

, 2025

RE: S.B. No. 583

S.D. 2 H.D. 1

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Madame:

Your Committee on Labor, to which was referred S.B. No. 583, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO NAMING RIGHTS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Permit any public or private entity to lease the naming rights of any state-owned facility; and
- (2) Require any revenues derived from advertising or marketing in or on any state-owned facility to be deposited into the appropriate special fund of the state agency that owns the facility, or into the general fund if no special fund applies.

Your Committee received testimony in support of this measure from the Stadium Authority. Your Committee received testimony in opposition to this measure from the Outdoor Circle. Your Committee received comments on this measure from the Department of Budget and Finance; Hawaii State Department of Education; Hawaii Tourism Authority; and Hawaii State Public Library System.

2025-2637 SB583 HD1 HSCR HMSO

Your Committee finds that the maintenance and operation of certain government facilities can come at a hefty price for tax payers and the State. Permitting public or private entities to lease naming rights for state facilities and using funds derived from the advertising or marketing related to the naming rights provides an additional funding source to operate and maintain these facilities.

Your Committee has amended this measure by:

- (1) Limiting provisions that would have allowed the leasing of naming rights to any state-owned facility to the Stadium Facility, or portion thereof, and the Convention Center Facility, or portion thereof;
- (2) Specifying that the revenues generated pursuant to this measure are to be deposited into the Stadium Development Special Fund or the Convention Center Enterprise Special Fund, as appropriate;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 583, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 583, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Labor,

ACKSON D. SAXAMA, Chair

State of Hawaii House of Representatives The Thirty-third Legislature

HSCR 1325

Record of Votes of the Committee on Labor

Bill/Resolution No.: SB 583, SD2	Committee Referral:	Date:	3/13/2	\$
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. SAYAMA, Jackson D. (C)	У.			
2. LEE, Mike (VC)				
3. GARRETT, Andrew Takuya		* 6.2 million	MPANE RANK	The same to the same
4 VADELA Japana				
4. KAPELA, Jeanne	Reference State 28 - 176			5. 160% A
5. KONG, Sam Satoru	(1)			
6. REYES ODA, Julie			X	(H9)-12 7
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TOTAL (6)	5		(
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				