

STAND. COM. REP. NO. 837

Honolulu, Hawaii

FEB 28 2025

RE: S.B. No. 583
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 583, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to allow the sale or lease of naming rights for any state-owned facility.

Specifically, this measure:

- (1) Allows the naming rights for any state-owned facility to be sold or leased to any public or private entity; and
- (2) Requires 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 appropriate special fund exists.

Your Committee received written comments in support of this measure from the Stadium Authority.

Your Committee received written comments in opposition to this measure from The Outdoor Circle.



Your Committee received written comments on this measure from the Department of Budget and Finance, the Hawaii State Public Library System, and the Hawaii Tourism Authority.

Your Committee finds that the cost to operate and maintain state-owned facilities continues to rise. Your Committee recognizes the need to identify innovative revenue streams to ease the pressures on the general funds of the State. Your Committee, however, believes that the State should retain flexibility with respect to the transfer of naming rights and preserve the State's reversionary right to the property interest. Therefore, your Committee finds that leasing, rather than selling, naming rights, is the appropriate method to provide additional revenue streams, while allowing flexibility to terminate naming rights or negotiate new transfers of naming rights upon expiration of the lease term.

Your Committee has amended this measure by removing the authorization to sell naming rights.

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

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



