

**DAVID Y. IGE**  
GOVERNOR

**DOUGLAS MURDOCK**  
COMPTROLLER

**CHARLES T. TOGUCHI**  
CHAIRMAN, STADIUM AUTHORITY

**SCOTT L. CHAN**  
MANAGER



**ALOHA STADIUM**  
*An Agency of the State of Hawaii*

TESTIMONY  
OF  
CHARLES T. TOGUCHI, CHAIRMAN  
STADIUM AUTHORITY  
TO THE  
SENATE COMMITTEE ON  
WAYS AND MEANS  
ON  
March 29, 2016

H.B. 1847, HD2, SD1

RELATING TO THE SPORTS AND ENTERTAINMENT AUTHORITY

Chair Tokuda, Vice Chair Dela Cruz, and members of the respective Committees, thank you for the opportunity to submit testimony in the form of comments on H.B. 1847, HD2, SD1

The Stadium Authority supports the intent of the measure and appreciates the focused effort to market, promote, and build Hawaii as a premiere sports and entertainment destination with the capacity to host a myriad of diverse events throughout the year. In doing so, Hawaii will be able to strengthen its financial position by diversifying its existing economic opportunities.

As Hawaii is already a venue for a number of world class events, it is even more critical that Hawaii take the initiative to invest its energy and effort to not only attract new events but to continue to build on and secure existing events that have chosen Hawaii to be its host site for its event. It is even more essential and imperative to develop a comprehensive plan as there continues to be competition from other destinations to court existing events that have already established Hawaii as its home venue. Thank you for the opportunity to provide comments on this matter.



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE  
GOVERNOR

LUIS P. SALAVERIA  
DIRECTOR

MARY ALICE EVANS  
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804  
Web site: [www.hawaii.gov/dbedt](http://www.hawaii.gov/dbedt)

Telephone: (808) 586-2355  
Fax: (808) 586-2377

Statement of  
**LUIS P. SALAVERIA**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON WAYS AND MEANS**  
Tuesday, March 29, 2016  
9:15 a.m.  
State Capitol, Conference Room 211  
in consideration of  
**HB 1847, HD2, SD1**  
**RELATING TO SPORTS AND ENTERTAINMENT AUTHORITY.**

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee.

The Department of Business, Economic Development, & Tourism (DBEDT) respectfully provides comments on HB1847, HD2, SD1, which establishes the Sports and Entertainment Authority to coordinate and develop an entertainment and sports industry in the State.

DBEDT is very appreciative of the work of the Senate on this bill. If it is the desire of the Senate to move forward with this bill, DBEDT offers the following comments.

DBEDT has concerns with the need for administrative autonomy for the Sports and Entertainment Authority. DBEDT has eleven attached agencies and only one has administrative autonomy. All eleven have policy autonomy. All DBEDT attached agencies are given the opportunity to fulfill their statutory mission to the full extent provided by the Legislature.

The SD1 authorizes the Sports and Entertainment Authority board to hire a President and CEO who in turn has the authority to hire a Sports Coordination and a Deputy Sports Coordinator and a secretary. The President and CEO is exempt from Chapter 76 for three years, but it is not clear whether the Senate intends that other positions would be exempt or must be established as civil service. It would be helpful to clarify this question.

The SD1 provides an exemption for the Sports and Entertainment Authority to hire attorneys without the approval of the Attorney General. The Department of the Attorney General opposed this provision in the HD2. DBEDT notes that other attached agencies have not had difficulty in hiring outside counsel for clearly defined purposes and defers to the AG on this provision.

Thank you for the opportunity to provide comments.



**Testimony to the Senate Committee on Ways and Means  
Tuesday, March 29, 2016 at 9:15 A.M.  
Conference Room 211, State Capitol**

**RE: HOUSE BILL 1847 HD2 SD1 RELATING TO THE SPORTS AND  
ENTERTAINMENT AUTHORITY**

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **strongly supports** HB 1847 HD2 SD1, which establishes the Sports and Entertainment Authority to coordinate and develop the entertainment and sports industry in the State, including attracting local, national, and international events, for the benefit of professional, amateur, and youth athletes.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Sporting events draw massive spending and can have great economic impact. The Sports and Entertainment Authority (SEA) will be able to tap into Hawaii's unique location and potential as an entertainment and sporting destination of the Asia Pacific region. A Sports and Entertainment Authority (SEA) can be an enhancement to the work of the Hawaii Tourism Authority as it could help with research and attracting events during the tourism shoulder months.

Some statistics are listed below.

- 2014 National Sports Industry Visitor spending \$8.96 billion. (NASC 2014)
- 2014 National Sports Industry Visitors 25.62 million. (NASC 2014)
- In 2014 of the 8.1 million visitors to Hawaii only 105,839 visitors came for a sporting event that is only 1.3% of the overall visitor arrivals in 2014. (DBEDT)
- Sports Tourism has an economic impact of \$150 to \$200 million a year. (HTA)
- The Honolulu Marathon is the state's largest participatory event, with 22,615 registered runners in 2011. About 85 percent of the non-Hawaii runners were from Japan. Generated about \$5 million in taxes. (Honolulu Marathon Association)
- The [Maui Invitational](#) attracted nearly 5,000 visitors and generated \$13.3 million in visitor spending, an increase of nearly five percent from 2013, for the island of Maui in 2014. In all, the Maui Invitational has contributed more than \$190 million to the local island economy since the Tournament's inception in 1984, welcoming 108 different schools from 40 states and Washington D.C. to the county of Maui. (Kemper Sports Management Inc.)



# Chamber of Commerce HAWAII

*The Voice of Business*

- A Markrich Research Ironman Triathlon study said participants stay about eight days on the Big Island and a total of about 12 days statewide. The athletes don't come alone, the study said, but bring, on average, 2.6 companions.
- In 2014 data collected by the City and County of Honolulu showed revenue to the city for the Lion King and Bruno Mars's performances in March and April brought in close to \$1,000,000.
- Wicked and Lion King estimated local economic impact was more than \$30 million and Bruno Mars was \$370,000.
- Touring Broadway shows brought in \$3.4 billion into the U.S. economy, and for every dollar spent on a ticket for a touring Broadway show, another three dollars is generated in the local marketplace. (Anthology Group)

We believe that there is an opportunity for the State to benefit from such an authority that can plan, coordinate and market to strengthen this industry and at the same time offer the facility to host these events.

Thank you for the opportunity to testify.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [WAM Testimony](#)  
**Cc:** [hawaiifishingfanatic@gmail.com](mailto:hawaiifishingfanatic@gmail.com)  
**Subject:** Submitted testimony for HB1847 on Mar 29, 2016 09:15AM  
**Date:** Monday, March 28, 2016 11:38:10 AM

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**HB1847**

Submitted on: 3/28/2016

Testimony for WAM on Mar 29, 2016 09:15AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Don Aweau	Individual	Support	Yes

Comments: In steadfast support in the establishment of a Sports and Entertainment Authority to promote and develop an industry that coordinates with the Hawaii Tourism Authority to specifically grow the Sports and Entertainment market for the State of Hawaii. My experience with Pennsylvania professional sports entities, Comcast-Spectacor (Philadelphia Flyers) and the Philadelphia Eagles, has given me a deep appreciation for the industry and it's growth opportunities. Nothing would be more important then to diversify our sports assets and build a foundation for a potentially profitable market/industry for Hawaii and it's residents. Mahalo.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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