

Honolulu, Hawaii

MAR 24 2015

RE: H.B. No. 318
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Government Operations, to which was referred H.B. No. 318, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT BUILDINGS,"

begs leave to report as follows:

The purpose and intent of this measure is to exempt contracts for concessions or space set aside on public property for sponsorship or naming rights of state and county buildings from the sealed bid process and fifteen year limitation on concession contracts.

Your Committee received testimony in support of this measure from the Stadium Authority and City and County of Honolulu Department of Parks and Recreation. Your Committee received testimony in opposition to this measure from the Outdoor Circle. Your Committee received comments on this measure from the Airport Concessionaires Committee.

Your Committee finds that contracts for naming rights may provide a much needed revenue stream for certain public facilities. Revenue from such agreements comes at little or no cost to the State and can spark revitalization for underfunded facilities or supply funds for new projects. Some testimony raised concerns about the breadth of the exemption from the established bidding process for concessions and the manner in which names would be displayed on state or county buildings.

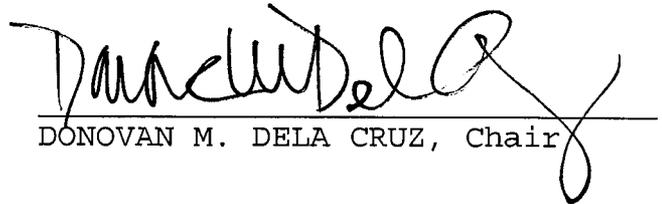


Your Committee has amended this measure by:

- (1) Specifying that only the rights to place one or more names on a state or county building are exempt from the sealed bid process and fifteen year limitation on concession contracts; and
- (2) Adding language to specify that any names placed on a state or county building, pursuant to a contract exempt from concession bidding requirements, must be in accordance with applicable county sign ordinances.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 318, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 318, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

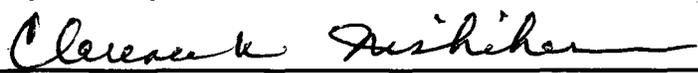
Respectfully submitted on
behalf of the members of the
Committee on Government
Operations,


DONOVAN M. DELA CRUZ, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:*	Committee Referral:	Date:		
HB318 HDI	GVO, WAM	3-19-15		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	✓			
NISHIHARA, Clarence K. (VC)	✓			
IHARA, Jr., Les	✓			
TOKUDA, Jill N.				✓
SLOM, Sam	✓			
TOTAL	4			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes