

STAND. COM. REP. NO.

2192

Honolulu, Hawaii

FEB 12 2008

RE: S.B. No. 2340

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committees on Economic Development and Taxation and
Tourism and Government Operations, to which was referred S.B.
No. 2340 entitled:

"A BILL FOR AN ACT RELATING TO AEROSPACE DEVELOPMENT,"

beg leave to report as follows:

The purpose of this measure is to appropriate \$500,000 for
costs associated with applying for a spaceport license from the
Federal Aviation Administration.

Testimony in support of this measure was received from a
former Governor of the State of Hawaii; the Department of
Business, Economic Development, and Tourism; Enterprise Honolulu;
Hawaii Island Economic Development Board; Space Frontier
Foundation; Rocketplane Global, Inc.; and Zero Gravity
Corporation.

Your Committees find that the effort to establish an
international commercial spaceport in Hawaii builds on the recent
development of innovative "spaceplanes" that take off and land at
airports like commercial jet planes, but also use onboard rockets
to carry these vehicles and their cargo of satellites, experiments
and tourists to space. Your Committees have heard that
Rocketplane Global is one of several companies that have
approached the State to request permission to launch these types
of vehicles from Hawaii as early as 2010. Its business plan
projects approximately \$200,000,000 in annual gross revenues from
user fees, as well as development of a terrestrial space-themed
education and training center in the Kalaeloa district on Oahu.

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In order for spaceplanes to launch and land from Hawaii's airports, the State must apply for and receive a commercial space transport license from the Federal Aviation Administration (FAA).

Your Committees understand that the \$500,000 appropriation in this measure is strictly a one-time request, and should the State be successful in receiving a license from the FAA, the State will realize income far in excess of the appropriation amount.

As affirmed by the records of votes of the members of your Committees on Economic Development and Taxation and Tourism and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2340 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Economic
Development and Taxation and
Tourism and Government
Operations,


CLARENCE K. NISHIHARA, Chair


CAROL FUKUNAGA, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Economic Development and Taxation
EDT

| | | |
|---|--|-------------------------|
| Bill / Resolution No.:* SB 2340 | Committee Referral: EDT/TSG, WAM | Date: 2/07/08 |
|---|--|-------------------------|

The committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

| Members | Aye | Aye (WR) | Nay | Excused |
|---------------------|----------|----------|-----|----------|
| FUKUNAGA, Carol (C) | ✓ | | | |
| ESPERO, Will (VC) | ✓ | | | |
| BAKER, Rosalyn H. | ✓ | | | |
| ENGLISH, J. Kalani | | | | ✓ |
| IGE, David Y. | ✓ | | | |
| SLOM, Sam | ✓ | | | |
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| TOTAL | 5 | | | 1 |

Recommendation: Adopted Not Adopted

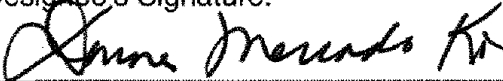
Chair's or Designee's Signature: *Will Espero*

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*Only one measure per Record of Votes

The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Tourism and Government Operations
TSG

| | | | | |
|--|-------------------------------------|------------------------|-----|----------|
| Bill / Resolution No.:* SB 2340 | Committee Referral: EDT/TSG, WAM | Date: 2-7-08 | | |
| <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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| NISHIHARA, Clarence K. (C) | / | | | |
| KIM, Donna Mercado (VC) | / | | | |
| TSUTSUI, Shan S. | | | | / |
| TRIMBLE, Gordon | / | | | |
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| TOTAL | 3 | | | 1 |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature:  | | | | |
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*Only one measure per Record of Votes