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Statement of

THEODORE E. LIU Director

Department of Business, Economic Development & Tourism before the

HOUSE COMMITTEE ON ECONOMIC REVITALIZATION, BUSINESS & MILITARY AFFAIRS

Tuesday, March 17, 2009 7:30 a.m. State Capitol, Conference Room 312

in consideration of

SB537 SD2

RELATING TO AEROSPACE.

Chair McKelvey, Vice Chair Choy, and members of the Committee. The department supports the concept behind SB537 SD2, which establishes an Aerospace Advisory Committee to assist the Legislature and State agencies in developing Hawaii's aerospace industry, as long as its implementation does not negatively impact or replace the priorities set forth in the Executive Biennium Budget for Fiscal Years 2009-2011.

Hawaii's diverse natural resources, unique geographic terrain, first-class technological infrastructure, and resident scientific and engineering expertise make our state an ideal location to develop, grow and sustain a wide variety of aerospace-related activities.

For over 20 years, our department has played a significant role in facilitating aerospace initiatives in Hawaii, including the development and implementation of international conferences and workshops, public exhibitions, research and development projects, and public outreach programs. In doing so, the department has established extensive contacts with multiple state, national and international aerospace agencies and institutions, and through its newly-established Office of Aerospace Development (OAD), is well positioned to leverage these contacts to seed innovation throughout Hawaii's aerospace industry.

But to effectively target and pursue the most promising areas for development, we need to enlist the experience and expertise of government, university and private sector leaders who know our state's economic development potential, understand the role that aerospace can play in realizing this potential, and help forge the public-private partnerships, both national and global, that can grow this industry statewide. The advisory committee proposed through this legislation is ideally suited for this role.

OAD will work closely with the Aerospace Advisory Committee to help identify strategic opportunities for Hawaii to expand and diversify its aerospace-related activities, as well as to facilitate dialogue and coordination among Hawaii's government, private and academic sectors, and between State-based entities and overseas organizations, both public and private, to promote innovative scientific, educational and economic policies and strategies by which Hawaii's full aerospace development potential may be realized.

Thank you for the opportunity to testify on this bill.