

Honolulu, Hawaii

FEB 17 2012

RE: S.B. No. 3037
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committees on Public Safety, Government Operations, and Military Affairs and Education and Economic Development and Technology, to which was referred S.B. No. 3037 entitled:

"A BILL FOR AN ACT RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER FOR EXPLORATION SYSTEMS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Pacific International Space Center for Exploration Systems (Space Center), previously known as the Pacific International Center for Exploration Systems, within the Department of Business, Economic Development, and Tourism;
- (2) Establish the Pacific International Space Center for Exploration Systems Board of Directors, to be appointed by the Governor with the advice and consent of the Senate;
- (3) Transfer the Space Center from the University of Hawaii to the Department of Business, Economic Development, and Tourism's Office of Aerospace Development;
- (4) Authorize the issuance of an unspecified amount of general obligation bonds to finance construction of the Space Center's aerospace research technology park project; and



- (5) Make an unspecified appropriation out of general revenues to construct the Space Center's aerospace research technology park project.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; University of Hawai'i System; and Honolulu Department of Budget and Fiscal Services. Comments were received from the Department of Human Resources Development. Testimony in opposition was received from one individual.

Your Committees find that the Space Center, including its proposed aerospace research technology park project, is an economic driver for the island of Hawaii that promotes the establishment and growth of new sustainable and green industries, associated jobs, workforce development, internships, and STEM programs. The legislature also finds that the Space Center's aerospace research technology park project will attract investment that will help to leverage costs of expanding the island of Hawaii's broadband capacity.

Your Committees further find there is continued need for the Space Center to work closely with the University of Hawaii, but also recognizes the need for swift and independent decisions and actions in the rapidly evolving aerospace sector to keep Hawaii competitive and attractive to industry partners. This is especially critical with the recent emergence of private commercial space access and a resurgence of global space initiatives. Supporting these initiatives will involve significant private sector investment in the testing, proving, and development of robotics, broadband, energy production, energy storage, recycling, and renewable and sustainable technologies that can have immediate application and use for the Hawaii economy and the general well-being of the State.

Your Committees note that a preliminary cost estimate given in testimony of the Department of Business, Economic Development, and Tourism was \$480,000 per year in operating expenses and \$1,000,000 per year in research and development for the Space Center. However, more information is needed for the purposes of the Committee on Ways and Means.

Your Committees have amended this measure by:



- (1) Changing the effective date to January 1, 2020, to ensure further discussions; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Government Operations, and Military Affairs and Education and Economic Development and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3037, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3037, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Public Safety, Government Operations, and Military Affairs and Education and Economic Development and Technology,



JILL TOKUDA Chair



WILL ESPERO, Chair



CAROL FUKUNAGA, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Public Safety, Government Operations, and
Military Affairs
PGM

Bill / Resolution No.:* SB 2037	Committee Referral: PGM/EDU/EDT,WAM	Date: 2-14-12		
<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
ESPERO, Will (C)	✓			
KIDANI, Michelle N. (VC)	✓			
BAKER, Rosalyn H.	✓			
RYAN, Pohai				✓
SLOM, Sam				✓
TOTAL	3	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Twenty-Sixth Legislature
State of Hawai'i

**Record of Votes
Committee on Education
EDU**

Bill / Resolution No.:* SB3037	Committee Referral: PGM/EDU/EDT, WAM	Date: 02-15-12		
<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
TOKUDA, Jill N. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
NISHIHARA, Clarence K.	✓			
TANIGUCHI, Brian T.	✓			
SLOM, Sam	✓			
TOTAL	6	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <p style="text-align: center;"><i>Michelle N. Kidani</i></p>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Economic Development and Technology
EDT

Bill / Resolution No.:* SB 3037	Committee Referral: FGM/EDU/EDT, WAM	Date: 2/15/12		
<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
FUKUNAGA, Carol (C)	✓			
WAKAI, Glenn (VC)	✓			
BAKER, Rosalyn H.	✓			
SOLOMON, Malama				✓
SLOM, Sam				✓
TOTAL	3	0	0	2
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