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ECONOMIC DEVELOPMENT & TOURISM**

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Statement of

RICHARD C. LIM
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Department of Business, Economic Development & Tourism
before the

SENATE COMMITTEE ON WAYS AND MEANS

Thursday, March 29, 2012
9:00 a.m.

State Capitol, Conference Room 211
in consideration of

HB 2873, HD2, SD1

**RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER
FOR EXPLORATION SYSTEMS.**

Chair Oshiro, Vice Chair Kidani, and members of the Committee.

The Department of Business, Economic Development and Tourism **supports the intent** of this bill, but we are also concerned about the potential cost implications generated by this legislation.

We recommend that the phrase “aerospace research technology park” throughout this measure be changed to “aerospace technology research and development park” to more accurately reflect the nature of this initiative.

Furthermore, on page 2, lines 18-21, we recommend changing the wording to read “Authorize the issuance of general obligation bonds to construct the Pacific International Space Center for Exploration Systems (PISCES) aerospace technology research and development park, and appropriate funds to support the operation of PISCES” to clarify the intent to use general obligation bonds for construction and state funds to support the operation of PISCES.

We also recommend that the governing board in Section 2 (page 4, lines 3-13) be amended to include members as follows:

- (1) the executive director of PISCES, who shall serve as an ex-officio voting member;
- (2) the director of the Department of Business, Economic Development and Tourism, or the director's designated representative;
- (3) the President of the University of Hawaii, or the President's designated representative;
- (4) six members from government, industry and academia, both national and international, with appropriate professional interests and backgrounds; and
- (5) a representative from the National Aeronautics and Space Administration (NASA), who shall serve as an ex-officio non-voting member;

with two members in paragraph (4) appointed from a list of nominees submitted by the President of the Senate, two members appointed from a list of nominees submitted by the Speaker of the House of Representatives, and two members appointed from a list of nominees submitted by the Governor. Provision for staggered terms is not necessary and we recommend it be deleted.

Furthermore, although the executive director of PISCES will be appointed by the director of DBEDT (as noted in Section C), this appointment should be subject to confirmation by the PISCES board.

In addition, reference to an "international lunar research park" (page 8, lines 14-15) should be deleted, as this refers to a future program that PISCES may help develop on the lunar surface (not at the aerospace technology research and development park in Hilo).

We also recommend that Section 12 be amended to appropriate funds for the purpose of "operating" not "constructing" PISCES, the latter having been addressed in Section 10.

Finally, in Section 13, DBEDT, not PISCES, should be established as the expending agency for the purpose of this act.

DBEDT will work with the University of Hawaii and other interested parties to implement this measure.

Thank you for the opportunity to testify on this bill.