

Honolulu, Hawaii
February 11, 2014

RE: H.B. No. 2152
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 2152 entitled:

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

begs leave to report as follows:

The purpose of this measure is to stimulate economic growth for the State and continue to develop the state's emerging aerospace sector by:

- (1) Appropriating general funds to support various administrative and general tasks, and specific strategic program initiatives, of the Pacific International Space Center for Exploration Systems; and
- (2) Authorizing the issuance of general obligation bonds to support the development of a research and development park for the Pacific International Space Center for Exploration Systems.

The Hawaii County Council Member representing Council District 3, Paragon Space Development Corporation, Pacific International Space Center for Exploration Systems, Near Earth LLC, Shackleton Energy Company, Inc., International Ventures Associates, JAMSS America, Inc., and several concerned individuals testified in support of this bill. The Department of Business,



Economic Development, and Tourism, and the University of Hawaii at Hilo testified in support of the intent of this measure.

Research and development in areas of planetary sustainability and resource utilization continue to demonstrate considerable potential for advancing dual-use technologies that can assist the State in becoming increasingly self-sufficient in renewable energy, broadband communications, advanced manufacturing, and other critical areas for development, as well as provide multiple opportunities for economic and workforce development through strategic partnerships with public and private research and development groups worldwide.

The Pacific International Space Center for Exploration Systems continues to explore and pursue research and development programs for planetary surface system technologies in several strategic areas and work towards the ultimate goal of establishing Hawaii as an industry leader in aerospace development. The funds appropriated and authorized by this measure are intended to assist the Pacific International Space Center for Exploration Systems in these efforts.

Your Committee has amended this bill by:

- (1) Changing the general fund appropriation amount from \$1,375,738 to an unspecified sum;
- (2) Changing the amount of general obligation bonds authorized to be issued from \$1,500,000 to an unspecified amount;
- (3) Changing its effective date to January 20, 2050, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider:

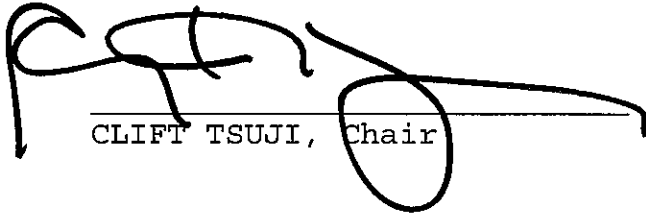
- (1) Appropriating \$1,375,738 in general funds to support various administrative and general tasks, and specific strategic program initiatives, of the Pacific International Space Center for Exploration Systems; and



- (2) Authorizing the issuance of \$1,500,000 in general obligation bonds to support the development of a research and development park for the Pacific International Space Center for Exploration Systems.

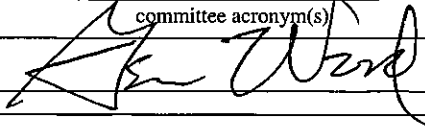
As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2152, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2152, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business,


CLIFT TSUJI, Chair



Record of Votes of the Committee on Economic Development & Business

| Bill/Resolution No.: HB 2152 | Committee Referral: EDB, FIN | Date: 2/4/14 | | |
|---|--|------------------------|------|----------|
| <input type="checkbox"/> The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| EDB Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. TSUJI, Clift (C) | / | | | |
| 2. WARD, Gene (VC) | / | | | |
| 3. AWANA, Karen | | | | / |
| 4. BROWER, Tom | / | | | |
| 5. CACHOLA, Romy M. | / | | | |
| 6. ITO, Ken | | | | / |
| 7. CHOY, Isaac W. | / | | | |
| 8. OHNO, Takashi | | | | / |
| 9. ONISHI, Richard H.K. | / | | | |
| 10. TOKIOKA, James Kunane | / | | | |
| 11. WOOLEY, Jessica | / | | | |
| TOTAL (11) | 8 | | | 3 |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ committee acronym(s) _____ did not support recommendation. | | | | |
| Vice Chair's or designee's signature:  | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |