

---

## A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,  
AND TOURISM.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 201-72, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "§201-72 Office of aerospace development; establishment.

4           (a) There is established an office of aerospace development in  
5 the department of business, economic development, and tourism.

6           (b) The director shall have experience, knowledge, and  
7 expertise in space-related activities and development. The  
8 director shall be nominated and appointed by the governor  
9 without regard to chapter 76.

10           (c) The director shall hire staff necessary to carry out  
11 the purposes of this part.

12           (d) The director and employees of the office shall be  
13 included in any benefit program generally applicable to the  
14 officers and employees of the State.

15           (e) Subject to funding, the office of aerospace  
16 development may hire an executive director with an annual salary



1 of up to \$100,000, a business development officer with an annual  
2 salary of up to \$80,000, a program manager with an annual salary  
3 of up to \$70,000, and administrative support with an annual  
4 salary of up to \$48,000. The executive director shall be  
5 appointed by the governor, and the other positions shall be  
6 civil service positions."

7 SECTION 2. Section 201-76, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 "[+]§201-76[+] **Pacific international space center for**  
10 **exploration systems.** (a) There is established the Pacific  
11 international space center for exploration systems[-] division,  
12 to be under the direction of the office of aerospace  
13 development, and to be administratively attached to the office  
14 of aerospace development in the department of business, economic  
15 development, and tourism. This division of the office of  
16 aerospace development shall be located on the island of Hawaii.

17 ~~[-(b)- The space center may employ, subject to chapter 76,~~  
18 ~~technical experts and officers, agents, and employees, permanent~~  
19 ~~and temporary, as required. The space center may also employ~~  
20 ~~officers, agents, and employees, prescribe their duties and~~  
21 ~~qualifications, and fix their salaries, without regard to~~



1 ~~chapter 76, when in the determination of the board, the services~~  
2 ~~to be performed by those employed are unique and essential to~~  
3 ~~the execution of the functions of the space center.]~~

4 (b) Pacific international space center for exploration  
5 systems employees shall promote and market Hawaii as an  
6 aerospace and aviation destination for research and development,  
7 shall actively solicit aerospace and aviation businesses to  
8 establish facilities or work offices in Hawaii, shall work with  
9 government agencies on aerospace and aviation related projects,  
10 and shall encourage direct and indirect job creation related to  
11 aerospace, aviation, technology, and robotics.

12 (c) Subject to funding, the Pacific international space  
13 center for exploration systems may hire an administrator with an  
14 annual salary up to \$82,000, a business development officer with  
15 an annual salary up to \$70,000, a program specialist with an  
16 annual salary up to \$60,000, and administrative support with an  
17 annual salary up to \$48,000. The administrator shall be  
18 appointed by the governor; the other positions shall be civil  
19 service positions."

20 SECTION 3. Section 201-77, Hawaii Revised Statutes, is  
21 amended to read as follows:



1           " ~~[+]§201-77[+]~~ Pacific international space center for  
 2 exploration systems; advisory board of directors; establishment;  
 3 duties. (a) There is established the advisory board of  
 4 directors of the Pacific international space center for  
 5 exploration systems, consisting of ~~[ten]~~ seven members, to  
 6 include:

7           ~~[(1) The executive director of the space center as an ex~~  
 8           ~~officio[, ] voting member;~~

9           ~~(2) The director of business, economic development, and~~  
 10           ~~tourism, or the director's designated representative;~~

11           ~~(3) The president of the University of Hawaii, or the~~  
 12           ~~president's designated representative;]~~

13           ~~(4)]~~ (1) Six members from government, industry, and  
 14           academia, both national and international, with  
 15           appropriate professional interests and backgrounds;  
 16           and

17           ~~[(5)]~~ (2) An invited representative from the National  
 18           Aeronautics and Space Administration as an ex  
 19           officio~~[+]~~, ~~[+]~~ nonvoting member,  
 20           to be appointed by the governor, pursuant to section 26-34;  
 21           provided that of the members appointed under paragraph ~~[(4)+]~~



1 (1), two members shall be appointed from a list of nominees  
2 submitted by the president of the senate, two members shall be  
3 appointed from a list of nominees submitted by the speaker of  
4 the house of representatives, and two members shall be appointed  
5 by the governor.

6 The board shall select a chairperson from among its  
7 members.

8 (b) [~~Five~~] Four members shall constitute a quorum, whose  
9 affirmative vote shall be necessary for all actions by the space  
10 center. The members of the board shall serve without  
11 compensation, but shall be entitled to reimbursement for  
12 necessary expenses, including travel expenses, incurred in the  
13 performance of their duties.

14 (c) The director of business, economic development, and  
15 tourism shall appoint an executive director to the space center,  
16 subject to confirmation by the board, who shall be exempt from  
17 chapter 76. The board shall set the salary and duties of the  
18 executive director."

19 SECTION 4. Section 201-78, Hawaii Revised Statutes, is  
20 amended to read as follows:

21 "[+]§201-78[+] **General powers.** [~~(a)~~—The board may:



- 1       ~~(1) Sue and be sued;~~
- 2       ~~(2) Adopt a seal and alter the seal at pleasure;~~
- 3       ~~(3) Make and execute contracts and other instruments~~
- 4             ~~necessary or convenient to the exercise of its powers;~~
- 5             ~~and~~
- 6       ~~(4) Adopt bylaws and rules, which shall be exempt from~~
- 7             ~~chapter 91, for its organization and internal~~
- 8             ~~management, and to carry into effect its purposes,~~
- 9             ~~powers, and programs.]~~

10   (a) The Pacific international space center for exploration  
11   systems advisory board of directors may meet quarterly and  
12   receive reports and updates from the staff of the Pacific  
13   international space center for exploration systems and shall  
14   make suggestions and recommendations to the Pacific  
15   international space center for exploration systems and the  
16   office of aerospace development.

17       (b) In addition to other powers conferred upon it, the  
18 board may do all things necessary and convenient to carry out  
19 the powers expressly provided in this subpart."

20       SECTION 5. Section 201-79, Hawaii Revised Statutes, is  
21 amended to read as follows:



1           " [†]§201-79[†]   Powers and duties of the Pacific  
2 international space center for exploration systems [~~executive~~  
3 ~~director.~~] staff. In addition to any other powers and duties  
4 provided in this subpart, the [~~executive director~~] staff shall:

- 5           (1) [~~Oversee, supervise, and direct the planning,~~  
6           ~~evaluation, and coordination of space-related~~  
7           ~~activities, and~~] Identify and promote opportunities  
8           for expanding and diversifying aerospace-related  
9           industries on the island of Hawaii and in the State  
10           [~~pertaining to the space center~~];
- 11           (2) Establish partnerships with corporate, government, and  
12           University of Hawaii entities that can promote and  
13           enhance the State's aerospace industry; and where  
14           possible, help to generate additional revenue for the  
15           University of Hawaii and create classes and other  
16           educational opportunities for students;
- 17           (3) Work with local universities and community colleges to  
18           facilitate internships for students with the space  
19           center and associated companies;



- 1           (4) Continue to work with the University of Hawaii on
- 2           course development, teaching, workforce development,
- 3           and outreach;
- 4           (5) Promote innovative educational and workforce
- 5           development programs that will enhance public
- 6           awareness of the space center and enable residents to
- 7           pursue employment in Hawaii's aerospace industry;
- 8           ~~[(6) Act as the public representative of the space center,~~
- 9           ~~(7)]~~ (6) Monitor national and global trends in the
- 10          aerospace industry and promote global awareness of the
- 11          space center;
- 12          ~~[(8)]~~ (7) Pursue projects in the aerospace sector that can
- 13          be leveraged for improvements to the State's broadband
- 14          and alternative energy capabilities;
- 15          ~~[(9)]~~ (8) Serve as a clearinghouse for information on the
- 16          space center and associated activities;
- 17          ~~[(10)]~~ (9) Target existing businesses that can provide
- 18          products or services of importance to the space center
- 19          and its projects to support the expansion of these
- 20          businesses in Hawaii;





1       ~~[(11)]~~ (10) Increase contact and maintain liaison with the  
2                   National Aeronautics and Space Administration, related  
3                   aerospace organizations, and other federal agencies  
4                   and facilities;

5       ~~[(12)]~~ (11) Maintain and expand liaisons with local business  
6                   and citizen groups;

7       ~~[(13)]~~ (12) Work with private landowners in the vicinity to  
8                   expand opportunities and physical space and  
9                   appurtenances for the participants in the space  
10                  center's aerospace technology research and development  
11                  park;

12       ~~[(14)]~~ (13) Adopt, amend, and repeal rules pursuant to  
13                  chapter 91 necessary to carry out this subpart;

14       ~~[(15)]~~ (14) Contract for services as may be necessary for  
15                  the purposes of this subpart; and

16       ~~[(16)]~~ (15) Do all other things necessary or proper to carry  
17                  out the purposes of this subpart."

18           SECTION 6. Section 201-80, Hawaii Revised Statutes, is  
19           amended to read as follows:

20           "~~+~~§201-80~~+~~ Pacific international space center for  
21           exploration systems; reporting requirement. The Pacific



1 international space center for exploration systems shall submit,  
2 no later than September 1 of each year, an annual report to the  
3 legislature that [~~includes:~~

- 4 ~~(1) An updated business plan regarding the aerospace~~  
5 ~~technology research and development park project;~~
- 6 ~~(2) Details on any progress made toward the development of~~  
7 ~~a world class space center in Hawaii;~~
- 8 ~~(3) The development of technologies and any concomitant~~  
9 ~~effect on the level of resource imports into the~~  
10 ~~State;~~
- 11 ~~(4) The status of all working relationships with~~  
12 ~~educational and research institutions and federal~~  
13 ~~agencies;~~
- 14 ~~(5) Details on any progress made toward the development of~~  
15 ~~a robotic operator training and certification program;~~
- 16 ~~(6) The level of private sector investment in aerospace~~  
17 ~~and related industries, including the number and~~  
18 ~~nature of any partnerships with private industry to~~  
19 ~~facilitate state based manufacturing and operations~~  
20 ~~related to green energy technology;~~



1       ~~(7) The status of the memorandum of understanding with~~  
 2       ~~Hawaii Techworks and the east Hawaii community~~  
 3       ~~development cooperation regarding the cultivation of a~~  
 4       ~~skilled local workforce to support planned~~  
 5       ~~manufacturing operations; and~~

6       ~~(8) A detailed statement of assets, liabilities, revenues,~~  
 7       ~~and expenses for each fiscal year ending June 30.]~~

8       shall summarize the significant accomplishments and activities  
 9       of the space center for the past fiscal year and the status of  
 10       the development of partnerships."

11       SECTION 7. There is appropriated out of the general  
 12 revenues of the State of Hawaii the sum of \$            or so  
 13 much thereof as may be necessary for fiscal year 2016-2017 for  
 14 the purposes of this Act, including the hiring of personnel for  
 15 the office of aerospace development and the Pacific  
 16 international space center for exploration systems.

17       The sum appropriated shall be expended by the department of  
 18 business, economic development, and tourism for the purposes of  
 19 this Act.

20       SECTION 8. Statutory material to be repealed is bracketed  
 21 and stricken. New statutory material is underscored.



# S.B. NO. 2758

1 SECTION 9. This Act shall take effect on January 1, 2017.

2

INTRODUCED BY: Will Zygo

*[Handwritten signature]*  
*[Handwritten signature]*  
*[Handwritten signature]*



# S.B. NO. 2758

**Report Title:**

Pacific International Space Center for Exploration Systems  
Division; PISCES; Office of Aerospace Development; Appropriation

**Description:**

Allows, subject to funding, the office of aerospace development to hire various positions. Establishes PISCES as a division of the office of aerospace development that is to be located on the island of Hawaii. Directs the PISCES staff to promote and market Hawaii as a research destination and allows PISCES to hire various positions, subject to funding. Amends the board of directors of PISCES to seven members and amends their powers and duties. Transfers various duties of the PISCES executive director to PISCES staff. Effective 1/1/2017. Simplifies PISCES' annual report to include a summary of significant accomplishments and activities, and also status of the development of partnerships.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

