

Honolulu, Hawaii

February 9, 2016

RE: H.B. No. 2263  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 2263 entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to make an appropriation for the Department of Business, Economic Development, and Tourism, in conjunction with the Pacific International Space Center for Exploration Systems and Hawaii Island Economic Development Board, Inc., to conduct an economic assessment of the establishment of a small satellite launch and processing facility on the island of Hawaii.

The Pacific International Space Center for Exploration Systems, W.H. Shipman Limited, and a concerned individual testified in support of this measure. The Department of Business, Economic Development and Tourism supported the intent of this measure. A concerned individual testified in opposition to this measure. The Hawaii Space Grant Consortium and Hawaii Space Flight Laboratory provided comments.

Hawaii has long been recognized as an ideal location for the launching of spacecraft due to its geographic location. This is especially true of Hawaii Island, which is unrivaled in the United States for equatorial launches of spacecraft, particularly small satellites, due to its global position. Your Committee finds that locating a small satellite launch and processing facility on

HB2263 HD1 HSCR EDB HMS 2016-1632



Hawaii Island has tremendous economic potential, but an economic assessment study should be conducted beforehand to determine the economic viability of such an endeavor.

Your Committee has amended this measure by changing:

- (1) The appropriation for the economic assessment study to an unspecified amount; and
- (2) Its effective date to July 1, 2050, to facilitate further discussion.

Should the Committee on Finance deliberate this measure further, your Committee on Economic Development & Business respectfully requests that it consider appropriating \$100,000 for the economic assessment study.

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. 2263, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2263, H.D. 1, and be referred to your Committee on Finance.

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



---

DEREK S.K. KAWAKAMI, Chair



State of Hawaii  
House of Representatives  
The Twenty-eighth Legislature

HSC 120-14

**Record of Votes of the Committee on Economic Development & Business**

Bill/Resolution No.: <b>HB 2263</b>	Committee Referral: <b>EOB, FIN</b>	Date: <b>5 FEB 16</b>		
<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. KAWAKAMI, Derek S.K. (C)	✓			
2. KONG, Sam Satoru (VC)	✓			
3. BROWER, Tom				✓
4. CACHOLA, Romy M.				✓
5. CHOY, Isaac W.	✓			
6. DeCOITE, Lynn	✓			
7. ITO, Ken	✓			
8. OHNO, Takashi				✓
9. ONISHI, Richard H.K.	✓			
10. TOKIOKA, James Kunane	✓			
11. TSUJI, Clift	✓			
12. WOODSON, Justin H.	✓			
13. MATSUMOTO, Lauren Kealohilani	✓			
14. WARD, Gene	✓			
<b>TOTAL (14)</b>	<b>11</b>			<b>3</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 0.8em;">committee acronym(s)</div>				
Vice Chair's or designee's signature: <u><i>Samuel S. King</i></u>				
Distribution: Original (White) – Committee            Duplicate (Yellow) – Chief Clerk's Office            Duplicate (Pink) – HMSO				