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Statement of  
**LUIS P. SALAVERIA**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT**  
and the  
**HOUSE COMMITTEE ON PUBLIC SAFETY**  
Friday, February 12, 2016  
10:00 a.m.  
State Capitol, Conference Room 309  
in consideration of  
**HB 2714**  
**RELATING TO WORKFORCE DEVELOPMENT.**

Chairs Nakashima and Takayama, Vice Chairs Keohokalole and Yamashita, and Members of the Committees. The Department of Business, Economic Development, and Tourism (DBEDT) supports the intent of this measure to appropriate State funds for a basalt rebar market study.

The funding requested through this measure would support a detailed market assessment of the viability of basalt rebar to serve as a new emerging high technology industry for the State. Central to this vision is the ability of basalt rebar, made from basalt extruded fibers manufactured in China and Russia, and procured through several American companies who purchase these fibers from which to construct the rebar, to replace imported steel/iron rebar for construction (as a reinforcing rod in concrete), thereby providing lighter and stronger rods that would eliminate rust associated with steel/iron rebar.

The long-term possibility would be for companies to establish operations in Hawaii to manufacture basalt rebar from local volcanic rock. Establishing a new generation of basalt rebar manufacturing in the United States (and eventually in Hawaii) would also align with the "America Competes Act," promoting investment in innovation through research and development that, in turn, would enhance U.S. competitiveness in world markets.

We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget.

Thank you for the opportunity to testify on this measure.



Pacific International  
Space Center for  
Exploration Systems

February 10, 2016

Robert M. Kelso  
Executive Director, PISCES  
99 Aupuni St.  
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Hilo, HI 96720

TESTIMONY IN SUPPORT OF:  
HB 2714– RELATING TO WORKFORCE DEVELOPMENT /  
BASALT REBAR MARKET STUDY

Dear Members of the 28<sup>th</sup> Hawaii State Legislature,

As Executive Director for PISCES, I am writing in support of the passage of HB 2714.

This bill enables a state-funded market assessment on the viability of basalt rebar as a new, emerging, high-tech industry for the State of Hawaii.

This bill will have assess basalt rebar as:

- application potential for replacement of steel/iron rebar
  - reported to no rust, stronger than steel rebar, lighter than steel rebar
- potential as building material for planetary construction for Moon and Mars
- basalt rebar is made from basalt extruded fibers manufactured in China and Russia. Several American companies on the mainland buy the fibers and construct the rebar.



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- Generation of a new basalt rebar industry aligns with America Competes Act...looking to create new high tech businesses within the US versus reliance on foreign supply

Requested study would assess market potential within the State of Hawaii and potential early adopters within in-state engineering projects.

Your consideration for support of this bill will be deeply appreciated.

Mahalo,

Robert M. Kelso

Executive Director, PISCES