

SB 2758

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

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.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
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Statement of

LUIS P. SALAVERIA
Director

Department of Business, Economic Development, and Tourism

before the

**SENATE COMMITTEES ON
ECONOMIC DEVELOPMENT, ENVIRONMENT, AND TECHNOLOGY
AND
PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS**

Wednesday, February 10, 2016

1:20 p.m.

State Capitol, Conference Room 414

in consideration of

SB 2758

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

Chairs Wakai and Nishihara, Vice Chairs Slom and Espero, and Members of the Committees.

The Department of Business, Economic Development, and Tourism (DBEDT) **supports the intent** of this bill to reorganize and staff the Office of Aerospace Development, including the provision to incorporate the Pacific International Space Center for Exploration Systems (PISCES) as a division of this office.

DBEDT offers comments on this measure:

In Section 1 (subsections “b” and “c”), reference is made to a “director, nominated and appointed by the Governor”, who in turn “shall hire staff” for OAD to conduct operations; but then reference is made (subsection “e”) to “OAD” hiring an “executive director” and three additional staff to conduct OAD operations.

DBEDT notes that having both a Director and an Executive Director of OAD, both to be appointed by the Governor, may be redundant and unnecessary.

In Section 2, reference is made to establishing PISCES as a “division” under OAD (subsection “a”), to be led by an “administrator”, appointed by the Governor (subsection “c”); but Section 3 (subsection “c”) specifies that the DBEDT Director shall appoint an “executive director” to run PISCES (subject to confirmation by the PISCES Board).

DBEDT notes that the existing language in Section 201-77(c) would be moot under the proposed re-organization of OAD and PISCES in which the PISCES board would become an advisory board. To avoid confusion, Section 201-77(c) should be deleted for consistency with the proposed changes to the rest of the section.

Section 5 outlines the “powers and duties” of the PISCES staff, many of which are identical to the “powers and duties” of the OAD director (as originally set forth in Act 149, SLH 2007).

To avoid confusion, DBEDT recommends that subsections (2) through (15) of Section 201-79 be deleted as these duties are already assigned to OAD in its enabling legislation, Act 149(SLH 2007) and can thus, under the proposed re-organization, be delegated to the PISCES staff as appropriate.

We support this bill provided that its passage does not replace or adversely impact the Administration’s priorities as indicated in the Executive Budget Request.

Thank you for the opportunity to testify on this measure.



Pacific International
Space Center for
Exploration Systems

February 8, 2016

Robert M. Kelso
Executive Director, PISCES
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TESTIMONY IN OPPOSITION OF:

SB 2758– RELATING TO REORGANIZATION OF PISCES AND THE OFFICE OF
AEROSPACE DEVELOPMENT (OAD)

Dear Members of the 28th Hawaii State Legislature,

As Executive Director for PISCES, I am writing in opposition of the passage of SB 2758.

Note: Opposition by PISCES of this bill is NOT with respect to the proposed realignment/reorganization of PISCES/OAD toward a more focused economic development for aerospace.

- The opposition pertains to the effective date in this bill of FY17.
- PISCES believes that a transition year on FY2017 is required to position itself to the radical change and to better assess possible reorganizational models between OAD and PISCES under DBEDT.
- *Hence, PISCES opposes the bill in that the effective date should be changed to the start of the next Biennium (FY18/19) to allow the proposed change to be fully coordinated and also submitted as part of the Governor's budget for FY18/19 Biennium.*

As Executive Director, PISCES, other than disagreement of the Authority-to-Proceed (ATP) date, **I support the proposed change to the strategic direction of PISCES and OAD**... combining into one organization as an attached agency, similar to HTDC, for leading the economic development of Aerospace within the State of Hawaii. In addition to adding business development officers (BDO) into the organization, it has

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Pacific International
Space Center for
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been suggested by outside organizations that a small component of the applied-research of PISCES remain in the new organization to continue valued work with stakeholders from international, federal and private sector groups world-wide....taking advantage of Hawaii's unique geo-physical assets that have become well-recognized as important to expanding human exploration and settlement beyond low-earth orbit.

As Executive Director of PISCES, I stand committed to support the state in this new direction and organizational change.

Your consideration for modification of this bill to an effective date of the 2018-2019 Biennium....or deferral of this bill will be deeply appreciated.

Mahalo,

Robert M. Kelso

Executive Director, PISCES

Letter from Honeybee Robotics in support of Hawaiian Legislative Bills

Feb 8, 2016

Re.: Letter in support of SB2758, HB2597 for PISCES and SB3107 for economic assessment of satellite launch and processing facility on the Big Island

Honeybee Robotics is the world's leading developer of planetary sample acquisition and manipulation systems in support of surface and subsurface planetary exploration missions.

Established in 1983, Honeybee Robotics is a NASA-approved flight hardware supplier with extensive experience in flexible automation technologies, custom mechanisms, spacecraft electro-mechanical components, and robotic systems and subsystems for the aerospace industry.

Honeybee Robotics has managed over 300 NASA-funded projects, from small research and development efforts under the SBIR program to larger efforts funded by various NASA ROSES programs and multi-million dollar flight development efforts such as the Mars Exploration Rovers (MER) Rock Abrasion Tool and Mars Science Laboratory (MSL) Sample Manipulation System (SMS) for the Sample Analysis at Mars (SAM) instrument suite.

In regard to the above referenced Senate and House bills, Honeybee Robotics supports the establishment of the Pacific International Space Center for Exploration Systems (PISCES) and is in favor to allow for an economic assessment to establish a small satellite launch and processing facility on the Big Island for the following reasons:

- PISCES helps in the diversification of industries in Hawaii and spurs the development of technological jobs, which would prevent brain drain and provide local high-tech job opportunities to local kids.
- PISCES would also serve to help prepare local students to better meet the demands of the global high-tech job market.
- A small satellite launch and processing facility will help establish Hawaii on the front line of aerospace industries worldwide due to its privileged geographical location for equatorial launches.

Please feel free to contact us for any questions regarding our support for the legislative bills discussed above.

With Kind Regards,
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