



Pacific International
Space Center for
Exploration Systems

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Statement of
Rodrigo Romo
Program Director

Pacific International Space Center for Explorations Systems (PISCES),
Before the
Committee on Economic Development & Business
Friday, February 2nd, 2018 @ 08:45
State Capitol, Conference Room 309

In consideration of
HB2559

**RELATING TO THE SPECIAL PURPOSE REVENUE BONDS TO ASSIST
SPINLAUNCH**

Chair Evans, Vice Chair Keohokalole and members of the Committee.

Dear members of the committee I want to express my support for HB2559.

It is important for the State of Hawai'i to diversify its economy away from tourism and agriculture. Attracting companies from the aerospace industry is one of PISCES primary goals.

The small satellite industry is going through rapid growth. Two limiting factors that are inhibiting the industry from achieving its potential are the lack of small launch vehicles and launch sites. Companies like SpinLaunch address both issues.

Hawai'i's geographical location make it an ideal candidate for both equatorial and polar orbit launches. SpinLaunch has expressed interest in developing a launch facility in Hawai'i. This would bring high paying jobs that are desperately needed in the State and place Hawai'i on the map in the Small Satellite Industry.

Thank you for this opportunity to offer comments.

Rodrigo Romo
Program Director
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DAVID Y. IGE
GOVERNOR



LAUREL A. JOHNSTON
ACTING DIRECTOR

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DEPARTMENT OF BUDGET AND FINANCE
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EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY

TESTIMONY BY LAUREL A. JOHNSTON
ACTING DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS
ON
HOUSE BILL NO. 2559

February 2, 2018
8:45 A.M.
Room 309

RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST SPINLAUNCH

House Bill No. 2559 authorizes the issuance of Special Purpose Revenue Bonds (SPRB) to assist SpinLaunch Inc. with the financing of the planning, design, and construction of a satellite launch system pursuant to Part V, Chapter 39A, Hawaii Revised Statutes.

The Department is providing comments only to advise the Legislature and prospective SPRB parties that should the legislation be approved, approval of the SPRB issuance and conduit loan will require further review of the financing proposal to ensure compliance with all federal, state and credit underwriting requirements. For additional information, please consult our FAQ located at the following link:

<http://budget.hawaii.gov/wp-content/uploads/2012/11/SPRB-FAQ.pdf>.

Thank you for your consideration of our comments.

HB-2559

Submitted on: 2/2/2018 7:38:10 AM

Testimony for EDB on 2/2/2018 8:45:00 AM

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Derek Lang | Engineering Space | Support | No |

Comments:

COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Friday, February 2, 2018

8:45am

Conference Room 309

HB 2559 RELATING TO SPECIAL PURPOSE REVENUE BONDS
TO ASSIST SPINLAUNCH INC

Chair Evans, Vice Chair Jarrett Keohokalole and members of the Economic Development & Business Committee:

Thank you for the opportunity to testify on House Bill No. 2559 addressing the issuance of special purpose revenue bonds to provide financing to assist SpinLaunch Inc. in constructing a portion of its small satellite launch system. I respectfully encourage support to this bill.

I am Derek Lang, of Engineering Space, an aerospace technology development and consulting firm. I am a life-long space enthusiast and have been an advocate of the public traveling to, and using space, since the early days of the US allowing private companies launch into space. I began working with SpinLaunch because of its vision for dramatically changing the way we access space and use space to improve life back here on earth. The system does not use rocket power to lift-off, so it has less environmental impact to the local area.

My family used to visit Hawaii since I was a youth, and we continue to do so on a regular basis. I am not a native, but I appreciate the Hawaii's cultural heritage and people. It is often a balancing act to look forward to the future, while protecting a rich history. In this case, space is something about which people, young and old, can get excited. The vision of space offers hope and wonder. It also offers economic

opportunity and benefit. If there are ways to tap into this in a way that does not compromise Hawaii's deep rooted values, they should be seriously considered and supported.

COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Friday, February 2, 2018

8:45am

Conference Room 309

HB 2559 RELATING TO SPECIAL PURPOSE REVENUE BONDS
TO ASSIST SPINLAUNCH INC

Chair Evans, Vice Chair Jarrett Keohokalole and members of the Economic Development & Business Committee:

Thank you for the opportunity to testify. I am John Carrico, CTO of Space Exploration Engineering, Inc. I write this testimony on behalf of SpinLaunch Inc. and respectfully request favorable consideration for HB 2559. As you know, the purpose of this bill is to address the issuance of special purpose revenue bonds to provide financing to assist SpinLaunch Inc. in constructing a portion of its electrical small satellite launch system which will make the development of such a system more economically feasible and provide the numerous public benefits listed in HB 2559.

I am convinced that the proposed new launch facility will create a pro-growth environment for the developing commercial space industry. The authorization of special purpose revenue bonds will allow the development of new infrastructure. The company proposes new and exciting products that will positively help the State create a new ecosystem consisting of construction, manufacturing, operations, and high-tech jobs. In addition, the commercial success of the proposed facility will generate interest and pride in the local community, inspiring students who will be able to experience locally the excitement of science, technology, engineering, and math (STEM). This proposed facility will also enable less-costly access to space, improving many areas including Earth sciences; environmental monitoring; communications; and fishing & wildlife management. Commercial space also holds great potential for abundant energy and mineral resources.

Thank you for the opportunity to testify on this measure.

COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Friday, February 2, 2018

8:45am

Conference Room 309

HB 2559 RELATING TO SPECIAL PURPOSE REVENUE BONDS
TO ASSIST SPINLAUNCH INC

Chair Evans, Vice Chair Jarrett Keohokalole and members of the Economic Development & Business Committee:

Thank you for the opportunity to testify on House Bill No. 2559. I am Jonathan Yaney, CEO of SpinLaunch Inc. The purpose of this bill is to address the issuance of special purpose revenue bonds to provide financing to assist SpinLaunch Inc. in constructing a portion of its electrical small satellite launch system which will make the development of such a system more economically feasible and provide the public benefits listed in HB 2559.

SpinLaunch's adoption in Hawaii will facilitate a pro-growth environment for the developing commercial space industry on the Islands, bringing a unique capability to market that will facilitate new satellite based business models. SpinLaunch will contribute to the continued development of the Hawaii aerospace presence with new technologies, creating a diversity of 21st century jobs locally while educating communities and improving on the sustainability of Hawaii.

Thank you for the opportunity to testify on this measure.

Jonathan Yaney