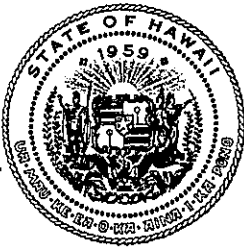


SB 1158

RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER FOR EXPLORATION SYSTEMS SPECIAL FUND

Establishes the Pacific international space center for exploration systems special fund for the operation, maintenance, and management of the Pacific international space center for exploration systems' projects, facilities, services, and publications.

PSM, WAM



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

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

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DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

Statement of
LUIS P. SALAVERIA
Director

Department of Business, Economic Development & Tourism
before the

**SENATE COMMITTEE ON
PUBLIC SAFETY, INTERGOVERNMENTAL AND MILITARY AFFAIRS**

Wednesday, February 18, 2015
2:55 p.m.
State Capitol, Conference Room 016

in consideration of
SB 1158

**RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER FOR
EXPLORATION SYSTEMS SPECIAL FUND.**

Chair Espero, Vice Chair Baker, and members of the Committee. The department offers comments on this bill to establish a special fund for the operation, maintenance, and management of the Pacific International Space Center for Exploration Systems' (PISCES') projects, facilities, services, and publications.

PISCES was established to attract and retain aerospace investment in the State, as well as to help bridge the gap between the public and private sector in aerospace-related activities. The Legislature also has asked PISCES to work toward self-sufficiency. However, at this time, PISCES only has the ability to receive and spend funding allocated within in the Hawaii State budget, and does not have a mechanism to receive or spend funds from any other source.

PISCES needs a way to accept and use money that will potentially come from four different sources: (1) project level work for users of PISCES analog test sites (e.g., related to the Hi-Seas nutritional test, Google Lunar X-Prize Teams, and robotic testing in lava pits and skylights); (2) grants, cooperative agreements and contracts awarded to PISCES by the National Aeronautics and Space Administration (NASA), the National Science Foundation (NSF), Hawaii

County, and other government sources; (3) contributions and sponsorships from private and corporate sponsors, as well as individual donors; and (4) revenue from the operation of PISCES' future Aerospace Research Park, the performance of miscellaneous support services, and/or the sale of publications or products.

PISCES has found it especially challenging to accept money from non-State sources, and there have been cases where the Center has had to forego revenue because it could not respond within the performance period of the available funding. As such, it is most important that a ready and available conduit for accepting and expending funds from non-State sources be identified for this Center.

DBEDT defers to the Department of Budget and Finance on the appropriateness of creating a special fund for the four purposes in Section 2 of this bill.

Thank you for the opportunity to testify on this bill.

WRITTEN ONLY

TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL
AND MILITARY AFFAIRS
ON
SENATE BILL NO. 1158

February 18, 2015

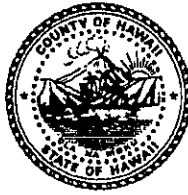
RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER FOR
EXPLORATION SYSTEMS SPECIAL FUND

Senate Bill No. 1158 establishes the Pacific International Space Center for Exploration Systems special fund for the operation, maintenance, and management of the program's projects, facilities, services, and publications.

As a matter of general policy, the Department of Budget and Finance does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special or revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. In regards to Senate Bill No. 1158, it is difficult to determine whether the fund will be self-sustaining.

I encourage the Legislature to review the fiscal and operational plan for this program to ensure that it does conform to the requirements of Section 37-52.3, HRS.

DENNIS "FRESH" ONISHI
Council Member
District 3



PHONE: (808) 961-8396
FAX: (808) 961-8912
EMAIL: donishi@co.hawaii.hi.us

HAWAI'I COUNTY COUNCIL

25 Aupuni Street, Hilo, Hawai'i 96720

February 12, 2015

The Honorable Will Espero, Chair
and Members of the Committee on Public Safety, Intergovernmental & Military Affairs

Dear Chair Espero and Committee Members,

Thank you for the opportunity to submit testimony in support of Senate Bill No. 1158, establishing a special fund for the operation, maintenance and management of PISCES' projects, facilities, services, and publications.

We are in a prime position to leverage our State's unique geography and the resources and capabilities available at PISCES to secure a major role in the maturation and utilization of these pioneering technologies.

By recommending passage of this bill, the State of Hawai'i will be making long term investments toward a growing aerospace industry.

Thank you for the opportunity to provide testimony in support of this bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis Onishi", is written over a horizontal line.

Dennis "Fresh" Onishi
Hawai'i County Council Member



February 11, 2015

To whom it may concern,

Subject: Testimony for SB1158 PISCES Special Fund

I currently serve on the PISCES Board of Directors and am the Managing Partner of Near Earth LLC, an investment bank covering the space and satellite industry. I am submitting this testimony in strong support of this bill to allow PISCES to create a special fund in the Hawaii State Treasury to accept revenues, fees for service, grants, gifts, and donations to be used by PISCES in addition to legislative appropriations for the operation and maintenance of its projects, facilities, services and for the design and construction of new facilities or renovations or additions to existing facilities.

To the extent PISCES can attract donations and corporate sponsors, win grants or charge fees for its services and facilities, these extra sources of funding could either allow the organization to initiate and engage in more activities, accelerate the rate of progress on existing initiatives or better prepare for future project needs by adding appropriate facilities. Without these extra sources of funding, the pace at which PISCES may grow will be limited by State budgetary considerations and the legislative calendar. Judging from the large number of Memorandum of Understandings the organization has executed since its inception, there is strong and growing demand to use the PISCES facilities and services. The availability of funding seems to be a growing constraint to PISCES realizing its full potential for the State of Hawaii and the international space community.

I therefore encourage you to pass SB1158 and am available to answer any questions you may have and can be reached at (203) 355-3527 or by email at hoyt@nearearthllc.com. Thank you for the opportunity to testify on this bill.

With much mahalo,

A handwritten signature in black ink that reads "Hoyt Davidson".

Hoyt Davidson

HENK B. ROGERS

55 Merchant Street
Honolulu, HI, 96813

TESTIMONY IN SUPPORT OF:

SB1158– RELATING TO THE PACIFIC INTERNATIONAL SPACE
CENTER FOR EXPLORATION SYSTEMS (PISCES) SPECIAL FUND.

Dear Members of the 28th Hawaii State Legislature,

I am writing in support of the passage of SB1158, which establishes a PISCES Special Fund.

PISCES was established to attract and retain aerospace investment in the State and to bridge the gap between the public and private sector. The Legislature has also asked PISCES to work toward self-sufficiency. However, at this time, PISCES only has the ready ability to receive and spend funding allocated in the Hawaii State budget. PISCES does not have a ready mechanism available to receive or spend funds from any other source.

PISCES needs a way to accept and use money that will potentially come from four different sources.

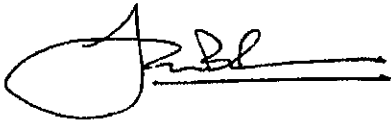
1. Project level work for users of PISCES analog test sites: Examples of projects in the recent past and near future are the HiSeas nutritional test, Google Lunar XPrize Teams, and robotic testing in pits/skylights.
2. Grants, cooperative agreements and contracts awarded: e.g. NASA, NSF, County government, and others.
3. Contributions/sponsorships from private/corporate sponsors and individual donors: For example, a corporation or individual may wish to sponsor an X Prize team by contributing to their travel to Hilo for analog site testing of their equipment.
4. Revenue from the operation of the future Aerospace Research Park, performance of miscellaneous support services, or sale of publications or products.

PISCES has found it so difficult to accept money from non-State sources that there have been cases where it has had to forego revenue because it could not react within the performance period of the funding available. In a recent case where County funds were allocated to PISCES, it took nearly seven (7) months from the receipt of the check from the County to the moment when the funds were available for PISCES use. This was over half of the performance period of the grant.

It is of paramount importance that a ready and available conduit for accepting and expending funds from non-State sources be identified.

Your affirmative consideration of this bill will be deeply appreciated.

Mahalo,

A handwritten signature in black ink, appearing to read 'Henk B. Rogers', with a long horizontal line extending to the right.

Henk B. Rogers
Entrepreneur

Chairman, Blue Planet Software
Managing Director, The Tetris Company
Chairman, Blue Planet Foundation
Founder, Blue Startups
Chairman, PISCES
Director, East West Center Foundation
Honorary Consul to Hawaii, the Kingdom of the Netherlands
Member, Broadband Task Force

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 11, 2015 4:23 PM
To: PSMTestimony
Cc: rfvromo@gmail.com
Subject: Submitted testimony for SB1158 on Feb 18, 2015 14:55PM

SB1158

Submitted on: 2/11/2015

Testimony for PSM on Feb 18, 2015 14:55PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Rodrigo & Charlotte Romo	Individual	Support	No

Comments: My wife and I both moved to Hilo in 2006. We chose Hilo because we wanted a good place where to raise our daughters. Both of us have science backgrounds. Both of us were members of the second crew inside Biosphere 2. We have known PISCES from its early days. We both believe that organizations like PISCES provide unique opportunities to the young generations in Hawaii who are interested in Space Exploration. We have followed closely all the projects that PISCES have conducted on the Big Island with great interest. The opportunities that they provide to High School and college students can be found nowhere else in the state. My wife is a science teacher at a local intermediate school, and PISCES has provided great motivation to her students over the years. Please continue to fund PISCES, for it is a unique organization that puts Hawai'i on the leading edge of space exploration. Sincerely, Rodrigo & Charlotte Romo.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 17, 2015 8:57 AM
To: PSMTestimony
Cc: burgharc@gmail.com
Subject: Submitted testimony for SB1158 on Feb 18, 2015 14:55PM

SB1158

Submitted on: 2/17/2015

Testimony for PSM on Feb 18, 2015 14:55PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
cheryl	Individual	Comments Only	No

Comments: If this Pacific space center will use the TMT in any way I would suggest not voting for it because the TMT will not be built on Hawai'i Island.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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