

STAND. COM. REP. NO.

432

Honolulu, Hawaii

FEB 18 2011

RE: S.B. No. 112

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committees on Public Safety, Government Operations, and Military Affairs and Economic Development and Technology and Tourism, to which was referred S.B. No. 112 entitled:

"A BILL FOR AN ACT RELATING TO TOURISM,"

beg leave to report as follows:

The purpose and intent of this measure is to make an appropriation out of the general revenues for fiscal years 2011-2012 and 2012-2013 for application for a spaceport license from the Federal Aviation Administration.

Your Committees received testimony in support of this measure from one state department, seven entities, and seven individuals. Testimony in opposition was received from two individuals.

Your Committees find that tourism is the chief generator of employment and revenue in the State and influences all sectors of the State's economy. New developments in technology, increased visitor sophistication, and greater competition from other world tourism markets require Hawaii's tourism industry to direct their marketing efforts at visitors with specific interests.

Your Committees recognize that expanding the State's tourism product by developing new niche products, such as space tourism, can enhance Hawaii's appeal as a tourist destination. Your Committees note from testimony that Act 187, Session Laws of Hawaii 2009, made a similar appropriation which was not released.



The effort to establish an international commercial spaceport in Hawaii builds upon the ongoing development of innovative spaceplanes that can take off and land at local airports using existing runways that service commercial jet aircraft, but which also employ advanced propulsion technologies to carry satellites, experiments, and tourists to space. Over the past decade, private companies in both the United States and foreign nations have been developing prototype spaceplanes for commercial space transportation. The commercial space transport market is in a major expansion mode, in terms of the number of people flying suborbitally each year and the number of spaceports working to build market share.

Commercial space transport will help drive the next generation of global aviation technologies, systems, and protocols, and states that engage in this industry from its inception will help establish and mature spaceplane operation centers and flight corridors to be networked worldwide. Hawaii is uniquely qualified to assume a leadership role in this effort for the entire Asia-Pacific region.

In contrast with the continental United States and Alaska, Hawaii is in a unique position to support and benefit from space plane operations. Situated in the middle of the Pacific, we are ideally located to serve as a node on the soon to emerge spaceplane transportation network. In addition, with major airport runways proximal to the ocean, Hawaii can use existing aviation infrastructure to enable the launch and landing of spaceplanes at local airports. Spaceplane operations in Hawaii would bring a new dimension to our visitor industry, bringing in a new source of state revenue.

Your Committees further find that in order for spaceplanes to launch and land from Hawaii's airports, the State must obtain a commercial space transport license from the Federal Aviation Administration. Funding requested through this measure will enable the Office of Aerospace Development to conduct the environmental and safety assessment studies required for this license to certify that spaceplane operations can be conducted safely in Hawaii.

As affirmed by the records of votes of the members of your Committees on Public Safety, Government Operations, and Military Affairs and Economic Development and Technology and Tourism that are attached to this report, your Committees are in accord with



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the intent and purpose of S.B. No. 112 and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Public Safety, Government Operations, and Military Affairs and Economic Development and Technology and Tourism,



CAROL FUKUNAGA, Chair



WILL ESPERO, Chair



DONNA MERCADO KIM, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Public Safety, Government Operations, and
Military Affairs
PGM

Bill / Resolution No.:* SB 112	Committee Referral: PGM EDT ISM, WAM	Date: 2-17-11
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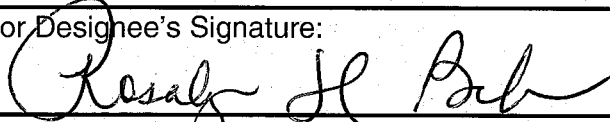
The committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: pass with amendments

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
ESPERO, Will (C)	✓			
KIDANI, Michelle N. (VC)	✓			
BAKER, Rosalyn H.	✓			
RYAN, Pohai	✓			
SLOM, Sam	✓			
TOTAL	5	-	-	-

Recommendation: Adopted Not Adopted

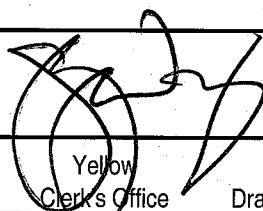
Chair's or Designee's Signature:


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*Only one measure per Record of Votes

The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Economic Development and Technology
EDT

Bill / Resolution No.:* SB 112	Committee Referral: PAM/EDT/BSM, WAM	Date: 2/17/11		
<input checked="" type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: pass with amendments				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
FUKUNAGA, Carol (C)	✓			
WAKAI, Glenn (VC)	✓			
BAKER, Rosalyn H.	✓			
SOLOMON, Malama				✓
SLOM, Sam	✓			
TOTAL	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
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The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Tourism
TSM

Bill / Resolution No.:* SB 112	Committee Referral: PGM/EDT/TSM, WAM	Date: 2/15/11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	✓			
KOUCHI, Ronald D. (VC)				✓
GALUTERIA, Brickwood	✓			
KAHELE, Gilbert	✓			
SLOM, Sam	✓			
TOTAL	4	-		1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
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