

Honolulu, Hawaii

February 11, 2014

RE: H.B. No. 2150
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 2150 entitled:

"A BILL FOR AN ACT RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER FOR EXPLORATION SYSTEMS' PLANETARY SUSTAINABILITY TECHNOLOGIES INITIATIVE,"

begs leave to report as follows:

The purpose of this measure is to stimulate economic growth for the State and continue to develop the State's emerging aerospace sector by appropriating funds to support the Pacific International Space Center for Exploration Systems' Planetary Sustainability Technologies Initiative with the State of California with certain stipulations, including matching fund requirements.

Hawaii County Council Member representing Council District 3, Paragon Space Development Corporation, The Pacific International Space Center for Exploration Systems, Near Earth LLC, Shackleton Energy Company, International Ventures Associates, JAMSS America Inc., Ferraro Choi, and several concerned individuals testified in support of this bill. The Department of Business, Economic Development, and Tourism and University of Hawaii at Hilo testified in support of the intent of this measure.

Aerospace technology research and development is a rapidly growing industry that has numerous potential, especially in light

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of the fact that the National Aeronautics and Space Administration is working to improve technologies for sustaining human exploration for increasingly greater distances and durations beyond Earth. Technological developments in the aerospace industry may also have widespread applications on Earth. By engaging in applied research and development to demonstrate and evaluate these technologies, the State will not only leverage its unique geographical resources to significantly advance the frontiers of space, but also enable local developers to evaluate how these technologies could be adapted to promote near-term terrestrial applications statewide, as well as around the globe.

Currently, legislation is pending in California that will appropriate funds to allow collaboration with the State of Hawaii to develop and promote self-sufficient technologies, with the goal of leveraging both National Aeronautics and Space Administration and private sector assets and expertise. The funds appropriated in this measure will allow Hawaii to work in partnership with California to increase and accelerate the development of sustainable measures and strategies for energy efficiency, renewable energy development, water use efficiency, waste management, and sustainable construction. Development of these technologies have the potential to provide new market and manufacturing areas for the State, further diversifying the State's economy.

Your Committee has amended this measure by:

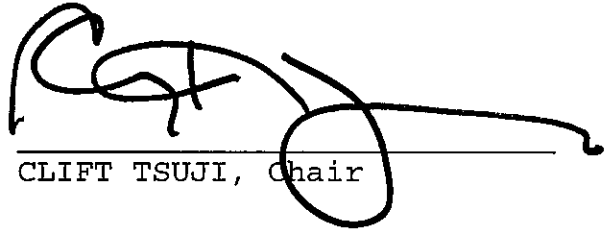
- (1) Changing the appropriation for the sustainability technologies initiative with the State of California from \$250,000 to an unspecified sum;
- (2) Changing its effective date to January 20, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider appropriating \$250,000 for Fiscal Year 2014-2015 to support the Pacific International Space Center for Exploration Systems' Planetary Sustainability Technologies Initiative with the State of California.



As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2150, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2150, H.D. 1, and be referred to the Committee on Finance.

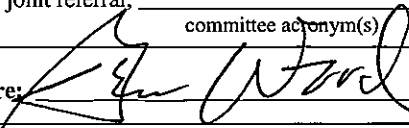
Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business,



CLIFT TSUJI, Chair



Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: HB2150	Committee Referral: EDB, FIN	Date: 2/4/14		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. TSUJI, Clift (C)	/			
2. WARD, Gene (VC)	/			
3. AWANA, Karen				/
4. BROWER, Tom	/			
5. CACHOLA, Romy M.	/			
6. ITO, Ken				/
7. CHOY, Isaac W.	/			
8. OHNO, Takashi				/
9. ONISHI, Richard H.K.	/			
10. TOKIOKA, James Kunane	/			
11. WOOLEY, Jessica	/			
TOTAL (11)	8			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ committee acronym(s) did not support recommendation.				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				