

STAND. COM. REP. NO.

1141

Honolulu, Hawaii

March 27, 2015

RE: S.B. No. 1158
S.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred S.B. No. 1158, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER FOR EXPLORATION SYSTEMS SPECIAL FUND,"

begs leave to report as follows:

The purpose of this measure is to establish a means by which the Pacific International Space Center for Exploration Systems (PISCES) may receive and expend funds from sources other than the state budget. Specifically, this measure establishes the PISCES Special Fund to:

- (1) Accept funds generated by PISCES from fees, rentals, publications, royalties, and patents;
- (2) Accept gifts, donations, and grants;
- (3) Accept proceeds from revenue bonds issued by the Director of Finance;
- (4) Accept appropriations by the Legislature; and
- (5) Provide monies for use by PISCES for the operation, maintenance, and management of its projects, facilities, services, and for the design and construction of new facilities and the renovation of or addition to existing facilities.

SB1158 SD1 HSCR EDB HMS 2015-2898



The Councilmember from Council District 3 of the Hawaii County Council, PISCES, Near Earth LLC, and two concerned individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism, and Department of Budget and Finance provided comments.

PISCES was established to attract and retain aerospace investment in the State and bridge the gap between the public and private sector in the development of this industry. However, PISCES does not have a mechanism to receive funds from sources other than the state budget. In the past, PISCES has been forced to forego potential revenue because it could not respond within the performance period of available funding. Your Committee finds that establishing a special fund will enable PISCES to accept gifts, donations, and grants from non-state organizations, including the National Aeronautics and Space Administration, the National Science Foundation, and the various counties, and has the potential to make PISCES a truly self-sufficient operation in the future.

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 S.B. No. 1158, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

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



DEREK S.K. KAWAKAMI, Chair



