### A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. Section 201-72, Hawaii Revised Statutes, is
- 2 amended to read as follows:
- 3 "\$201-72 Office of aerospace development; establishment.
- 4 (a) There is established an office of aerospace development in
- 5 the department of business, economic development, and tourism.
- 6 (b) The director shall have experience, knowledge, and
- 7 expertise in space-related activities and development. The
- 8 director shall be nominated and appointed by the governor
- 9 without regard to chapter 76.
- 10 (c) The director shall hire staff necessary to carry out
- 11 the purposes of this part.
- 12 (d) The director and employees of the office shall be
- 13 included in any benefit program generally applicable to the
- 14 officers and employees of the State.
- 15 (e) Subject to funding, the office of aerospace
- 16 development may hire an executive director with an annual salary

1 of up to \$100,000, a business development officer with an annual 2 salary of up to \$80,000, a program manager with an annual salary 3 of up to \$70,000, and administrative support with an annual 4 salary of up to \$48,000. The executive director shall be 5 appointed by the governor, and the other positions shall be 6 civil service positions." 7 SECTION 2. Section 201-76, Hawaii Revised Statutes, is 8 amended to read as follows: 9 "[+]\$201-76[+] Pacific international space center for 10 exploration systems. (a) There is established the Pacific 11 international space center for exploration systems  $[\tau]$  division, 12 to be under the direction of the office of aerospace 13 development, and to be administratively attached to the office 14 of aerospace development in the department of business, economic development, and tourism. This division of the office of 15 16 aerospace development shall be located on the island of Hawaii. 17 (b) The space center may employ, subject to chapter 76, 18 technical experts and officers, agents, and employees, permanent 19 and temporary, as required. The space center may also employ 20 officers, agents, and employees, prescribe their duties and 21 qualifications, and fix their salaries, without regard to

- 1 chapter 76, when in the determination of the board, the services
- 2 to be performed by those employed are unique and essential to
- 3 the execution of the functions of the space center.]
- 4 (b) Pacific international space center for exploration
- 5 systems employees shall promote and market Hawaii as an
- 6 aerospace and aviation destination for research and development,
- 7 shall actively solicit aerospace and aviation businesses to
- 8 establish facilities or work offices in Hawaii, shall work with
- 9 government agencies on aerospace and aviation related projects,
- 10 and shall encourage direct and indirect job creation related to
- 11 aerospace, aviation, technology, and robotics.
- 12 (c) Subject to funding, the Pacific international space
- 13 center for exploration systems may hire an administrator with an
- 14 annual salary up to \$82,000, a business development officer with
- an annual salary up to \$70,000, a program specialist with an
- 16 annual salary up to \$60,000, and administrative support with an
- 17 annual salary up to \$48,000. The administrator shall be
- 18 appointed by the governor; the other positions shall be civil
- 19 service positions."
- 20 SECTION 3. Section 201-77, Hawaii Revised Statutes, is
- 21 amended to read as follows:

1	"[+]	§201-77[+] Pacific international space center for
2	explorati	on systems; advisory board of directors; establishment,
3	duties.	(a) There is established the <u>advisory</u> board of
4	directors	of the Pacific international space center for
5	explorati	on systems, consisting of [ten] seven members, to
6	include:	
7	[ <del>(1)</del>	The executive director of the space center as an ex
8		officio[,] voting member;
9	<del>(2)</del>	The director of business, economic development, and
10		tourism, or the director's designated representative;
11	(3)	The president of the University of Hawaii, or the
12		president's designated representative;
13	<del>(4)</del> ]	(1) Six members from government, industry, and
14		academia, both national and international, with
15		appropriate professional interests and backgrounds;
16		and
17	[ <del>(5)</del> ]	(2) An invited representative from the National
18		Aeronautics and Space Administration as an ex
19		officio[+],[+] nonvoting member,
20	to be app	ointed by the governor, pursuant to section 26-34;
21	provided :	that of the members appointed under paragraph $[44]$

- 1 (1), two members shall be appointed from a list of nominees
- 2 submitted by the president of the senate, two members shall be
- 3 appointed from a list of nominees submitted by the speaker of
- 4 the house of representatives, and two members shall be appointed
- 5 by the governor.
- 6 The board shall select a chairperson from among its
- 7 members.
- **8** (b) [Five] Four members shall constitute a quorum, whose
- 9 affirmative vote shall be necessary for all actions by the space
- 10 center. The members of the board shall serve without
- 11 compensation, but shall be entitled to reimbursement for
- 12 necessary expenses, including travel expenses, incurred in the
- 13 performance of their duties.
- 14 (c) The director of business, economic development, and
- 15 tourism shall appoint an executive director to the space center,
- 16 subject to confirmation by the board, who shall be exempt from
- 17 chapter 76. The board shall set the salary and duties of the
- 18 executive director."
- 19 SECTION 4. Section 201-78, Hawaii Revised Statutes, is
- 20 amended to read as follows:
- 21 "[+] \$201-78[+] General powers. [-(a) The board may:

1	<del>(1)</del>	Sue and be sued;
2	<del>(2)</del>	Adopt a seal and alter the seal at pleasure;
3	(3)	Make and execute contracts and other instruments
4		necessary or convenient to the exercise of its powers;
5		<del>and</del>
6	(4)	Adopt bylaws and rules, which shall be exempt from
7		chapter 91, for its organization and internal
8		management, and to carry into effect its purposes,
9		powers, and programs.]
10	(a) The	Pacific international space center for exploration
11	systems a	dvisory board of directors may meet quarterly and
12	receive r	eports and updates from the staff of the Pacific
13	internati	onal space center for exploration systems and shall
14	make sugg	estions and recommendations to the Pacific
15	internati	onal space center for exploration systems and the
16	office of	aerospace development.
17	(b)	In addition to other powers conferred upon it, the
18	board may	do all things necessary and convenient to carry out
19	the power	s expressly provided in this subpart."
20	SECT	ION 5. Section 201-79, Hawaii Revised Statutes, is
21	amended to	o read as follows:

1	" [ <del>-[</del> ]	§201-79[] Powers and duties of the Pacific
2	internati	onal space center for exploration systems [executive
3	director.	] <u>staff.</u> In addition to any other powers and duties
4	provided	in this subpart, the [executive director] staff shall:
5	(1)	[Oversee, supervise, and direct the planning,
6	•	evaluation, and coordination of space-related
7		activities, and
8		for expanding and diversifying aerospace-related
9		industries on the island of Hawaii and in the State
10		[pertaining to the space center];
11	(2)	Establish partnerships with corporate, government, and
12		University of Hawaii entities that can promote and
13		enhance the State's aerospace industry; and where
14		possible, help to generate additional revenue for the
15		University of Hawaii and create classes and other
16		educational opportunities for students;
17	(3)	Work with local universities and community colleges to
18		facilitate internships for students with the space
19		center and associated companies;

1	(4)	Continue to work with the University of Hawaii on
2		course development, teaching, workforce development,
3		and outreach;
4	(5)	Promote innovative educational and workforce
5		development programs that will enhance public
6		awareness of the space center and enable residents to
7		pursue employment in Hawaii's aerospace industry;
8	[-(6)-	Act as the public representative of the space center;
9	<del>(7)</del> ]	(6) Monitor national and global trends in the
10		aerospace industry and promote global awareness of the
11		space center;
12	[ <del>(8)</del> ]	(7) Pursue projects in the aerospace sector that can
13		be leveraged for improvements to the State's broadband
14		and alternative energy capabilities;
15	[ <del>(9)</del> ]	(8) Serve as a clearinghouse for information on the
16		space center and associated activities;
17	[ <del>(10)</del> ]	(9) Target existing businesses that can provide
18		products or services of importance to the space center
19		and its projects to support the expansion of these
20		businesses in Hawaii;

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1
        [\frac{(11)}{(10)}] (10) Increase contact and maintain liaison with the
 2
               National Aeronautics and Space Administration, related
 3
               aerospace organizations, and other federal agencies
 4
               and facilities;
 5
        [\frac{(12)}{(11)}] (11) Maintain and expand liaisons with local business
 6
               and citizen groups;
 7
        [\frac{(13)}{(12)}] (12) Work with private landowners in the vicinity to
 8
               expand opportunities and physical space and
 9
               appurtenances for the participants in the space
10
               center's aerospace technology research and development
11
               park;
12
        [\frac{(14)}{(13)}] (13) Adopt, amend, and repeal rules pursuant to
13
               chapter 91 necessary to carry out this subpart;
14
        [+(15)-] (14) Contract for services as may be necessary for
15
               the purposes of this subpart; and
16
        [\frac{(16)}{(15)}] (15) Do all other things necessary or proper to carry
17
               out the purposes of this subpart."
          SECTION 6. Section 201-80, Hawaii Revised Statutes, is
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19
    amended to read as follows:
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          "[+]$201-80[+] Pacific international space center for
21
    exploration systems; reporting requirement. The Pacific
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1	internati	onal space center for exploration systems shall submit,
2	no later	than September 1 of each year, an annual report to the
3	legislatu	re that [ <del>includes:</del>
4	<del>(1)</del>	An updated business plan-regarding the aerospace
5		technology research and development park project;
6	<del>(2)</del>	Details on any progress made toward the development of
7		a world-class-space-center in Hawaii;
8	(3)	The development of technologies and any concomitant
9		effect on the level of resource imports into the
10		State;
11	<del>(4)</del>	The status of all working relationships with
12		educational and research institutions and federal
13		agencies;
14	<del>(5)</del>	Details on any progress made toward the development of
15		a robotic operator training and certification program;
16	<del>(6)</del>	The level of private sector investment in aerospace
17		and related industries, including the number and
18		nature-of any partnerships with private industry to
19		facilitate state based manufacturing and operations
20		related to green energy technology;

1	<del>(7)</del>	The status of the memorandum of understanding with
2		Hawaii Techworks and the east Hawaii community
3		development corporation regarding the cultivation of a
4		skilled local workforce to support planned
5		manufacturing operations; and
6	<del>(8)</del>	A detailed statement of assets, liabilities, revenues,
7		and expenses for each fiscal year ending June 30.
8	shall sum	marize the significant accomplishments and activities
9	of the sp	ace center for the past fiscal year and the status of
10	the devel	opment of partnerships."
11	SECT	ION 7. There is appropriated out of the general
12	revenues	of the State of Hawaii the sum of \$ or so
13	much ther	eof as may be necessary for fiscal year 2016-2017 for
14	the purpo	ses of this Act, including the hiring of personnel for
15	the offic	e of aerospace development and the Pacific
16	internati	onal space center for exploration systems.
17	The	sum appropriated shall be expended by the department of
18	business,	economic development, and tourism for the purposes of
19	this Act.	
20	SECT	ION 8. Statutory material to be repealed is bracketed
21	and stric	ken. New statutory material is underscored.

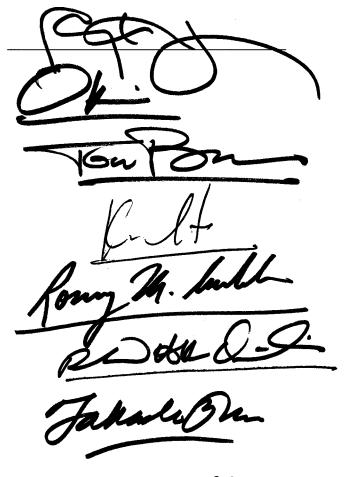


SECTION 9. This Act shall take effect on January 1, 2017.

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INTRODUCED BY:



JAN 2 6 2016

#### Report Title:

Pacific International Space Center for Exploration Systems Division; PISCES; Office of Aerospace Development; Appropriation

#### Description:

Allows, subject to funding, the office of aerospace development to hire various positions. Establishes PISCES as a division of the office of aerospace development that is to be located on the island of Hawaii. Directs the PISCES staff to promote and market Hawaii as a research destination and allows PISCES to hire various positions, subject to funding. Amends the board of directors of PISCES to seven members and amends their powers and duties. Transfers various duties of the PISCES executive director to PISCES staff. Effective 1/1/2017. Simplifies PISCES' annual report to include a summary of significant accomplishments and activities, and also status of the development of partnerships.

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