

Honolulu, Hawaii
FEB 11 , 2026

RE: H.B. No. 1608
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Economic Development & Technology, to which was referred H.B. No. 1608 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST FENIX SPACE, INC,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of special purpose revenue bonds for the planning, design, procurement, and construction of the Fenix launch platform system and Fenix Space Hilo flight operations facility.

Your Committee received testimony in support of this measure from the Hawai'i Technology Development Corporation and Fenix Space, Inc. Your Committee received comments on this measure from the Department of Budget and Finance and Life of the Land.

Your Committee finds that developing the State's space sector will help position Hawaii as a leading area for technology innovation in the Pacific region and support economic growth. Your Committee further finds that Fenix Space, Inc., an aerospace company focused on next-generation space access technologies, has proposed the establishment of a launch platform system and flight operations facility at Hilo International Airport. This measure seeks to provide a financing tool for the planning, design, procurement, and construction of this proposal, which will enable



Fenix Space to develop the essential infrastructure needed to begin operations and generate revenue in the State.

Your Committee notes that Act 262, Session Laws of Hawaii 2023, requires a moratorium of authorization for special purpose revenue bonds that require an allocation of annual state private activity bond cap until December 31, 2028.

Your Committee has amended this measure by:

- (1) Changing the special purpose revenue bonds limit to an unspecified amount;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider a special purpose revenue bonds limit of \$40,000,000.

As affirmed by the record of votes of the members of your Committee on Economic Development & Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1608, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1608, H.D. 1, and be referred to your Committee on Transportation.

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



GREGGOR ILAGAN, Chair



