

ACT 187

H.B. NO. 994

A Bill for an Act Relating to Tourism.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that tourism is the chief generator of employment and revenue in the state, and extends into all sectors of the State's economy. New developments in technology, visitor sophistication, and increased competition from other world tourism markets have challenged Hawaii's tourism industry to attract visitors with specific interests.

The legislature recognizes that expansion of the State's tourism product by developing new niche products, such as space tourism, can enhance Hawaii's appeal as a tourist destination.

In 2007, Virgin Galactic confirmed viability of space tourism, by earning approximately \$31,000,000 in ticket revenue from over one hundred passengers. On December 15, 2008, the Federal Aviation Administration awarded a launch license for vertical and horizontal launch to the New Mexico Spaceport Authority to establish a commercial spaceport.

Space tourism is a potential billion dollar global industry that could significantly increase state revenue sources, provide new aerospace jobs, and rejuvenate economic development in the Kalaeloa area. The Federal Aviation Administration is expected to issue a limited number of spaceport licenses, and the legislature finds that it is crucial to position Hawaii for the economic advantages a license may bring.

The purpose of this Act is to appropriate funds for the application for a spaceport license from the Federal Aviation Administration.

SECTION 2. There is appropriated out of the airport revenue fund the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2009-2010 to be transferred from the department of transportation to the department of business, economic development, and tourism for the application for a spaceport license from the Federal Aviation Administration.

There is appropriated out of the tourism special fund the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2009-2010 to be transferred from the Hawaii tourism authority to the department of business,

economic development, and tourism for the application for a spaceport license from the Federal Aviation Administration.

Notwithstanding sections 201B-11 and 261-5, the sums appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2009.

(Became law on July 15, 2009, without the governor's signature, pursuant to Art. III, §16, State Constitution.)