

ACT 101

S.B. NO. 112

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 influences all sectors of the State's economy. New developments in technology, increased visitor sophistication, and greater competition from other world tourism markets require Hawaii's tourism industry to direct their marketing efforts at visitors with specific interests.

The legislature recognizes that expanding 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 the 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 launches to the New Mexico Spaceport Authority to establish a commercial spaceport. On January 11, 2010, Cecil Field airport in Jacksonville, Florida was awarded a similar Federal Aviation Administration license.

Space tourism is a potential billion dollar global industry that could significantly increase state revenues, 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 that economic opportunity.

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 general revenues of the State of Hawaii the sum of \$250,000 or so much thereof as may be necessary for fiscal year year 2012-2013 for the application for a spaceport license from the Federal Aviation Administration; provided that no funds shall be made available under this Act unless the federal government provides a dollar-for-dollar match of funds for the purpose for which this sum is appropriated.

The sum appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this Act.

SECTION 3. The department of business, economic development, and tourism shall submit a report on the status of the application for the spaceport license to the legislature no later than twenty days prior to the convening of the regular session of 2013.

SECTION 4. This Act shall take effect on July 1, 2012.

(Approved May 10, 2012.)