

CONFERENCE COMMITTEE REP. NO. 164-12

Honolulu, Hawaii
, 2012

RE: S.B. No. 112
S.D. 1
H.D. 1
C.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 112, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TOURISM,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

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

Your Committee on Conference finds 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. 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, your Committee on Conference finds

that this measure is crucial to position Hawaii for that economic opportunity.

Funding under this measure will enable the Department of Business, Economic Development, and Tourism to conduct the environmental and safety assessment studies required for this license to certify that space plane operations can be conducted safely in Hawaii. Similar studies at airports nationwide have universally resulted in findings of no significant impact.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$250,000; provided that no funds shall be made available unless the federal government provides a dollar-for-dollar match of funds for the purpose for which this sum is appropriated;
- (2) Changing the deadline for the report from the Department of Business, Economic Development, and Tourism on the status of the application to twenty days prior to the convening of the Regular Session of 2013; and
- (3) Changing the effective date to July 1, 2012.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 112, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 112, S.D. 1, H.D. 1, C.D. 1.

Respectfully submitted on
behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

ANGUS L.K. MCKELVEY, Co-Chair

WILL ESPERO, Chair

TOM BROWER, Co-Chair

DAVID Y. IGE, Chair

ISAAC W. CHOY, Co-Chair

CAROL FUKUNAGA, Co-Chair

DONNA MERCADO KIM, Co-Chair

MICHELLE N. KIDANI, Co-Chair