

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Report to the Hawaii State Legislature

Act 101 - Relating to Tourism

Pursuant to Act 101 from the 2012 Legislative Session, the Department of Business, Economic Development and Tourism (DBEDT), through its Office of Aerospace Development, successfully applied to the Federal Aviation Administration (FAA) for a \$250,000.00 Space Transportation Infrastructure Matching (STIM) grant to provide the "dollar-for-dollar match of funds" required in this Act to conduct the environmental assessment and other studies required to certify that spaceport operations can be conducted safely in the State of Hawaii. Upon the satisfactory completion of these studies, the State will be eligible to apply to the FAA for a commercial spaceport license, which in turn will enable "horizontal launch and land commercial space vehicles" (generically known as "spaceplanes") to operate out of Hawaii.

DBEDT is now in the process of contracting with Reynolds, Smith and Hills, Inc. (RS&H), a national engineering services company with extensive experience in facilities, infrastructure and aviation consulting, to conduct these studies, which will include but not be limited to:

- (1) identification and evaluation of potential spaceport launch sites statewide (based on existing facilities, ease of access, projected development costs, possible impacts on commercial and military air traffic, and the potential breadth of operations including both reusable and expendable vehicles for suborbital and orbital space flights);
- (2) an assessment of the business case for commercial spaceport operations in Hawaii, including identification of potential customers, an estimate of spaceport construction, operating, and maintenance cost estimates, and development of a ten-year revenue stream projection;
- (3) a preliminary environmental analysis, including examination of possible impacts of spaceport construction and operation on local wildlife, wetlands and coastal areas, parks and other recreational areas, historic sites, and ambient air quality; and
- (4) a review of the proposed spaceport's compliance with the National Environmental Policy Act (NEPA).

The studies are anticipated to commence in the first quarter of 2013, and will take between 12 to 18 months to complete (including a public review of the preliminary study draft), after which the State of Hawaii will be eligible to apply to the Federal Aviation Administration for a commercial spaceport license. The Office of Aerospace Development will administer the contract with RS&H.