

## **UNIVERSITY OF HAWAI'I SYSTEM**

Legislative Testimony

Testimony Presented Before the House Committee on Finance February 27, 2012 at 1:00 p.m. by Donald O. Straney, Ph.D. Chancellor, University of Hawai`i at Hilo

## HB 2873 HD1 - RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER FOR EXPLORATION SYSTEMS

Chair Oshiro, Vice Chair Lee and Members of the Committee,

My name is Donald Straney, Chancellor of the University of Hawai`i Hilo. I am testifying in reference to HB 2873 relating to the Pacific International Space Center for Exploration Systems (PISCES). I have previously testified in support of the intent of this bill, but changes since my original testimony lead me to update my comments.

I am willing to see the Pacific International Space Center for Exploration Systems (PISCES) be operated by the Department of Business, Economic Development, and Tourism as described in the current version of this bill. The University of Hawai'i is willing to continue to participate in aspects of the program in its new home.

The bill would instruct the University to transfer appropriations, etc. obtained with PISCES funding to the Department. Once there is an agreed upon inventory of PISCES materials, the University will facilitate the transfer of materials purchased under state funds to a location of the Department's choosing. The same will be done for materials obtained under federal funds or by private gift following the procedures and rules relating to the disposition of such materials. Costs of the transfer should be the responsibility of the program, which currently has federal funds for its activities. There are currently no state funds appropriated for PISCES, nor does the University have any positions related to PISCES. The language in Section 1 relating to positions is left over from previous versions of the bill.

With its activities relocated to the Department, the University believes there is no need for section 5, which envisions a lease of 50 acres of the University of Hawai'i at Hilo's Science and Technology Park. Currently, the only PISCES activities located in Hilo are office-based. Hilo has been the location of the PISCES offices for historical reasons. All field-testing activities are conducted outside of Hilo. The Hilo area is perhaps the least promising site in the state to house a facility to test equipment for use in space environments and on the moon and other planets, where liquid water is all but absent. I note that 50 acres is an area greater than that of most community college campuses in the state. The University can lease space in the Science and Technology Park to companies wishing to locate there, but I believe it would be inappropriate to locate testing grounds in the Park. The Department manages and the state owns lands on the island in areas that are physically more appropriate for PISCES activities and which would not require additional lease payments. I would note that Section 5, as written, contains an incorrect word on page 9 line 10: "transfer" was used in a previous version of the bill and should be changed to "lease" to be consistent with page 9 line 1.

The duties of the Executive Director are described on pages 5 (lines 17-21) and 6 (lines 1-2) to include participation in educational activities. The University follows the terms of its collective bargaining agreement with the University of Hawai'i Professional Association when implementing such terms.

The University continues to believe PISCES needs a business plan before it can fulfill the considerable promise it has. Creating such a plan should be a prerequisite to further consideration of the proposals contained in this bill. The University of Hawai`i would welcome the opportunity to continue dialogue with the legislature and with the Department of Business, Economic Development, and Tourism to produce a business plan that can serve as a strong foundation for the development of this opportunity.