

- SUBJECT:** Requiring aerospace and aviation office to implement certain initiatives
- COMMITTEE:** Business and Industry — committee substitute recommended
- VOTE:** 6 ayes — Oliveira, Simmons, Collier, Fletcher, Romero, Villalba
1 nay — Rinaldi
- WITNESSES:** For — Nick Serafy, Cameron County Spaceport Corporation; Jeff Feige, Orbital Outfitters Ltd.; Lauren Dreyer, SpaceX; (*Registered, but did not testify*: Jake Posey, Bell Helicopter; John Davis and Pamela Welch, Midland Development Corporation; Chris Shields, Port San Antonio; Amy Beard, the Boeing Company; Mignon McGarry, United Technologies Corporation)

Against — None

On — Keith Graf, Office of the Governor
- DIGEST:** CSHB 1984 would add requirements for the aerospace and aviation office, make changes to the advisory committee, and require the office to submit reports containing certain information.

The bill would require the office to develop short- and long-term policy initiatives or recommend reforms the state could implement to:
- increase investment in aerospace and aviation activities;
 - support the retention, development, and expansion of spaceports in Texas;
 - identify and encourage educational, economic, and defense-related opportunities for aerospace and aviation activities;
 - increase funding for the spaceport trust fund and support ongoing projects that have been assisted by the fund, including recommending to the Legislature an appropriate level for the fund;
 - partner with Texas Higher Education Coordinating Board to foster

technological advancement and economic development for spaceport activities by strengthening higher education programs; and

- partner with Texas Workforce Commission to support initiatives that address the high-technology skills and staff resources needed to better promote the state's efforts in becoming the nation's leader in space exploration.

CSHB 1984 would require the aerospace and aviation office to make short- and long-term recommendations for state action to the Legislature and the governor regarding the policy initiatives and reforms noted above. The short-term recommendations would begin implementation by September 1, 2017, and would be fully implemented by September 1, 2020. The long-term recommendations would begin implementation by September 1, 2020, and would be fully implemented by September 1, 2025. In addition, the aerospace and aviation office would submit a biennial report to the same audience, which would contain information on the work performed by that office in implementing related projects, policy initiatives, and reforms, as well as other information. The report would be due beginning December 1, 2016.

The bill would add to the aerospace and aviation advisory committee one member for each active spaceport development corporation in Texas who would represent the interests of their corporations. The committee would be required to:

- assist the aerospace and aviation office and Texas Economic Development and Tourism Office in meeting the state's economic development efforts to recruit and retain aerospace and aviation jobs and investment;
- advise the aerospace and aviation office, the Texas Economic Development and Tourism Office, and the governor on an appropriate funding level for the spaceport trust fund and on recruitment, retention, and expansion of aerospace and aviation industry activities; and
- collect and disseminate information on federal, state, local, and

private community economic development programs that assisted or provided loans, grants, or other funding to aerospace and aviation industry activities.

Members of the committee would serve staggered four-year terms. The terms of the current members would expire on September 1, 2015. The governor would be required to appoint new members as soon as possible after that date, and a member who had served immediately before the effective date could be reappointed if the member met the qualifications under the bill.

The bill would take effect September 1, 2015.

**SUPPORTERS
SAY:**

CSHB 1984 would continue efforts to improve the space industry's presence in Texas. This industry provides economic benefits to Texas, and the bill would expand the aerospace and aviation office's duties to better facilitate the growing industry. The bill also would require the office to create short and long-term plans to expand the benefits of the industry to include areas such as education and defense.

The bill would not allow government funds to be used for inappropriate purposes because the office already submits a legislative appropriations request to the Legislature. It only would allow the office to recommend to the Legislature a level of funding.

**OPPONENTS
SAY:**

CSHB 1984 would give inappropriate power to the aerospace and aviation office. The office could increase funding or even recommend to the Legislature an appropriate funding level for the spaceport trust fund. This could lead to state funds being used to advance goals that would not be appropriate or within the proper scope of government funding.