

**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT
AND TOURISM**

1987-1995

**Prepared
January 2002**

**Hawaii State Archives
Iolani Palace Grounds
Honolulu Hawaii 96813**

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM

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INTRODUCTION

The Department of Business, Economic Development and Tourism was established in 1963. To date the only records of the Department which have been accessioned in the Archives deal with the currently inactive Office of Space Industry, which is responsible for developing and coordinating space-related activities in the State. The records are mainly correspondence and memoranda, supplemented by consultant studies and reports.

Access is unrestricted.

ADMINISTRATIVE HISTORY

Established: By merger of the existing Department of Economic Development and Department of Planning and Research into the Department of Planning and Economic Development. Renamed the Department of Business and Economic Development effective July 1, 1987, upon the transfer of the department's traditional planning function to the Office of State Planning, and to reflect a change in focus in the department from planning to actively fostering a healthy business environment. Renamed again as the Department of Business, Economic Development and Tourism, effective July 1, 1990, to highlight the importance of tourism in the Hawaii economy and the department's new role in promoting and marketing the tourism industry.

Dates: May 16, 1963-[present].

Predecessor Agencies:

Fair Commission. (1917-1960). Planned and conducted territorial fairs to promote Hawaii products. Function transferred to the Department of Economic Development.

Farm Loan Board. (1919-1960). Made loans to persons engaged in agriculture. Function transferred to the Department of Economic Development.

Territorial Planning Board. (1938-1955). Developed territorial master plan for physical development of Hawaii, e.g., roads, parks, land use. Functions transferred to the Economic Planning and Coordination Authority.

Industrial Research Advisory Council. (1949-1955). Developed program for researching industrial methods and resource utilization for economic benefit of Hawaii, to include agricultural methods and resources. Functions transferred to the Economic Planning and Coordination Authority.

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Economic Planning and Coordination Authority. (1955-1960). Collected and collated information, coordinated activities, stimulated research, prevented duplication of effort and determined priorities relating to economic development. Functions transferred in part to the Department of Economic Development and in part to the Department of Planning and Research.

Territorial Planning Office. (1957-1960). Charged with creating a Hawaii general plan dealing with diverse functions such as public facilities and economic potential, including tourism. Functions transferred to the Department of Planning and Research.

Department of Economic Development. (1960-1963). Encouraged the development and products of agriculture, industry and tourism. Gathered and disseminated economic information, offered consultative services, planned fairs, administered farm and business credit programs, and made rules for grading and labeling of agricultural products. Agricultural loan function transferred to the Department of Agriculture in 1961.

Department of Planning and Research. (1960-1963). Planned for the optimum use of human and natural resources and for the development of the economy of the State. Collated data regarding the people, resources and needs of the state. Prescribed a standardized statistical reporting system for the State.

Organization: The department was initially organized into three divisions by broad functional area: Planning; Economic Development; and Research and Analysis. There was also a separate Office of Information and Public Services, "Hawaii's Publicity Agent," and several affiliated (attached) agencies, such as the Land Use Commission and the Oahu Transportation Study. The organization of the department has evolved as its functions and functional emphases have varied with time.

Highlights:

1965: Administrative Services Office established.

1966: Foreign Trade Zone Division established.

1967: Hawaii International Services Agency (division) established. Both new divisions were intended to foster trade and commerce, attract investment and find markets for Hawaii products.

1973: Office of Information and Public Services renamed the Office of Information.

1975: Land Use Division established to interface with the Land Use Commission.

Energy Management and Conservation Office established.

Policy Council (more commonly known as the "State Plan Policy Council") established to represent a broad spectrum of interests in the long-range planning process; in practice attached to the department for administrative purposes.

1976: Energy Management and Conservation Office renamed the State Energy Office.

1980: State Energy Office reorganized as the Energy Division.

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- 1984: Business and Industry Development Division replaced the Economic Development Division. Hawaii International Services Agency, the Hawaii Film Office, the Ocean Resources Office and the Tourism Office were added as branches.
- 1987: Land Use Division disestablished. Planning Division renamed the Office of State Planning and transferred to the Governor's Office. The Office of State Planning took over administrative support for the Policy Council.
Business and Industry Development Division divided into the Business Development and Marketing Division, the Business Services Division and the Industry Promotion Division, which included the Tourism Branch.
Special Projects Office established.
- 1988: Special Projects Office renamed the Office of Space Industry.
- 1989: Tourism Branch renamed the Office of Tourism and placed in the Director's Office. Information Office renamed the Communications and Publications Office.
- 1994: Office of Space Industry incorporated into the Business Development and Marketing Division.
- 1996: Industry Promotion Division disestablished and its functions distributed to either the Business Development and Marketing Division or the Business Services Division.
Energy Division renamed the Energy, Resources and Technology Division to reflect the scope of its responsibilities.
Office of State Planning renamed the Office of Planning, removed from the Governor's Office and attached to the department for administrative purposes.

By 2001, the department was organized into five divisions: Business Development and Marketing, Business Support, Energy, Resources and Technology, Foreign Trade Zone, and Research and Economic Analysis; and three offices: Administrative Services, Communications and Publications, and Hawaii Tourism. Eleven agencies, such as the Land Use Commission and the Hawaii Community Development Authority, were attached for administrative purposes.

Functions: The department is established to support business, create jobs, and improve Hawaii's standard of living, by diversifying the economy, expanding existing business and attracting new economic activity. Its major functions are to:

- Plan, organize, direct and coordinate programs relating to statewide economic development, energy development and management, and research and economic analysis.
- Assist new and existing businesses in the State through a variety of promotional and informational services.
- Conduct marketing programs to promote the state as a place to do business.
- Develop and guide the State's tourism policies within the broad context of the visitor industry.
- Assist small business enterprises and the local commercial fishing industry by providing loans.

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- Develop and analyze plans for the total and optimum development of Hawaii's marine resources based on needs and goals of the State.
- Promote Hawaii as a filming location for Mainland and overseas film companies.
- Direct, plan, evaluate and coordinate space-related activities in the State.
- Operate Foreign Trade Zone no. 9 where foreign and domestic merchandise may be stored, exhibited, manufactured, assembled, re-labeled, exported, or imported at considerable savings.
- Provide data and analysis to assist in the economic planning and decision-making of the State.

Complete lists of program goals are contained in Chapters 196, 201, 225M and 226, HRS.

Successor Agencies: None.

References: Revised Laws of Hawaii: 1945, Ch 93; 1957 Supp, Ch. 28A
Hawaii Revised Statutes: §26-18 and Title13 (1968, 1976, 1985, 1993, 2000 Supp)
Session Laws of Hawaii: Act 20, SLH 1917; Act 225, SLH 1919; Act 207, SLH 1937; Act 264, SLH 1955; Act 150, SLH 1957; Act 1, 2nd Spl Session, SLH 1959; Act 132, SLH 1961; Act 2, SLH 1963; Act 189, SLH 1975; Act 100, SLH 1978; Act 239, SLH 1983; Act 236, SLH 1984; Act 336, SLH 1987; Act 293, SLH 1990; Act 76, SLH 1991; Act 299, SLH 1996
Annual Reports: DED, 1960; DPED, 1963; DBED, 1987; DBEDT, 1990-1995 & 1999
Legislative Reference Bureau, Guide to Government in Hawaii, 1973; 1980; 1984; 1989; 1993; 1996
Department of Budget and Finance, Plan of Organization, Executive Branch, Hawaii State Government, 11th rev ed, 1994

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ADMINISTRATIVE HISTORY

OFFICE OF SPACE INDUSTRY

Established: By Act 355, SLH 1988.

Dates: July 1, 1988-[present].

Predecessor Agencies: None.

Organization: A separate office within DBEDT, reporting to the Director, until 1994, when it was placed within the Business Development and Marketing Division.

Functions: Per HRS §201-73, to

- Oversee, supervise and direct the planning, evaluation and coordination of space-related activities in the State;
- Initiate discussions for private and international involvement in space-related activities in the State;
- Serve as a clearinghouse for information on Hawaii's space-related activities;
- Develop a business plan for a commercial space facility and for pursuing appropriate business partners;
- Target existing businesses which can provide products and services to the space industry;
- Institute contact and maintain liaison with the National Aeronautics and Space Administration and other federal agencies;
- Obtain citizen input on proposed space facilities development; and
- Develop appropriate mechanisms for consideration and protection of Hawaiian cultural values, customary practices, traditional uses and religious rights.

Summary of Activities: Between 1988 and 1995 the Office concentrated its efforts on developing a commercial spaceport in Kau, introducing and developing space-related industries in the state, including a major effort to attract "high-tech" Japanese industry, and fostering space-related educational programs. Public opposition coupled with lack of a market defeated the spaceport initiative. The Legislature did not consider that the results of other efforts were sufficiently effective and declined to continue funding after June 30, 1995.

Successor Agencies: None. As of December 31, 2001, the Office had not been disestablished. However, none of its positions has been filled since July 1, 1995. Because it is unstaffed, it was removed from the DBEDT organization chart effective January, 1997.

References: Hawaii Revised Statutes: Chapter 201, Part V (1993, 2000 Supp)
Session Laws of Hawaii: Act 355, SLH 1988
Annual Reports: DBED, 1989; DBEDT, 1990-1994
Legislative Reference Bureau, Guide to Government in Hawaii, 1989; 1993; 1996
Hawaii State Archives, Government Records Inventories, Lieutenant Governor,
Organization Charts and Functional Statements [Series 292], 1997, DBEDT.

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SERIES DESCRIPTION

Series Number: 485 Series Title: Records Related to the Office of Space Industry

Date Range: 1987-1995

Quantity: 1.88 cubic feet in three 7.5-inch boxes

Creator: Collected in the Office of Space Industry (OSI). Includes records from official files of the OSI and from the personal files of OSI staff; records dealing with OSI created in the office of the Director of Business Economic Development and Tourism; and records from the Hawaii Space Development Authority, an advisory council established by the Director.

Physical Characteristics/Condition: Mostly paper records: notepad, letter-, legal- and folded oversize; manuscript and typescript; originals and xerox and diazo copies; and a small quantity of published material. The records are in good condition.

Content Description:

Consists of correspondence and memoranda, including facsimile; press releases; financial records; contracts; brochures; reports; maps; and lists and tabulated data, generally filed by subject, although some are filed by record type or agency. For example, a list of contractors is filed by subject in "Contractors: General;" press releases and brochures are filed by record type and most records dealing with the Hawaii County Council are filed in "Spaceport: Hawaii County Council." There is information on a wide variety of subjects, such as Space Expo '92 and the Advanced Communications Technology Satellite (ACTS).

The bulk of the records deals with the State's plan to build a spaceport in Kau, the centerpiece of its effort to foster economic diversity by developing a "space industry" in Hawaii. Directly related to the spaceport records are a body of records dealing with—and often originated by—retired Admiral Thomas Hayward, Governor John Waihee's "Space Czar." These records are spread through the series, but are concentrated in the four files which include his name in the title and in "Hawaii Space Development Authority," "Spaceport:Public Relations" and "U.S.-Japan Cooperation in Space."

The other major component of the Waihee administration's space industry initiative was space education. Records on that subject are mainly concentrated in the file so titled.

Records dealing with more than one subject were filed in what was considered to be the most important or most appropriate file. For example, items from the Hawaii County Council commenting on the Draft Environmental Impact Statement (EIS) for the Kau Spaceport are filed in "Spaceport: EIS-Related Materials" while items dealing with Council hearings on the EIS are filed under "Hawaii County Council." Additionally, while "Contractors" files contain material about both contract administration and the results or products of the contracts, additional information about contracted projects is contained in other files. For example, there is information about the *Future Flight Hawaii* program in both "Contractors: General" and "Space Education Programs."

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SERIES DESCRIPTION

Series Number: 485

Series Title: Records Related to the Office of Space Industry

Arrangement: Alphabetically by file folder title, and therein chronologically. The arrangement is the result of merging material selected for retention from records of various provenances, and consequently includes both new and original file folder titles. Folders are generally titled by subject, however, some are titled by author/agency or by record type.

For Additional Information See: Library collection: Annual Report of DBEDT, 1988-1994; Audit of Contract Administration and the Office of Space Industry in the Department of Business, Economic Development, 1995; and Tourism Conceptual Plan Commercial Satellite Launching Facility, Palima Point, Kau, Hawaii, Final Environmental Impact Statement (2 vols), 1994; Feasibility of a Floating Launch Platform for Hawaii, 1991; Feasibility Study for Construction of an Airport at Hawaii Commercial Space Launch Facility, 1991; Hawaii Space Industry - A Review and Analysis, 1990; Report of the 2nd Pacific ISY Conference, 1991; Safety Assessment of Two Proposed Hawaii Launch Sites, 1989; Space Port Barge Landing Facility, 1990; and Study of Hawaii Space Industry Activities and Suggested Joint NASA Ames Research Center-Hawaii Industry Projects, 1990.

Records of the Legislature of the State of Hawaii: standing committee reports in Series 302 and 303, and testimony in Series 304 and 305, on budget requests and other measures dealing with OSI (e.g., SB 2458-94, SB 2480-94, SB 2493-94, SCR 51-94, SCR 268-95, SR 41-94, HB 2540-94, HB 2744-94 and HB 3673-94).

Records of the First Term of Governor John Waihee [Series 500]: (each year, 1986-1987 through 1990). Files: Executive Departments - Business and Economic Development - Space.

Access: Access is unrestricted.

Prepared by: A. Hoof

Date Completed: January 30, 2002

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RECORDS CONTAINER LIST

Series Number: 485

Series Title: Records Relating to the Office of Space Industry

<u>Box & Folder</u>	<u>Contents</u>
485-1-1	Advanced Communications Technology Satellite (ACTS), 1990-1995
485-1-2	Alaska-Hawaii Joint Initiatives, n.d., 1993
485-1-3	Articles, Brochures and Newsletters, n.d., 1989-1993
485-1-4	Audit-Related Materials, 1992, 1994
	Contractors
485-1-5	Delbert Smith, 1990-1992
485-1-6	Frederick Spreyer, 1990-1992
485-1-7	General, 1987-1995
485-1-8	James Bruce, 1990-1991
485-1-9	MCM Planning, 1989-1994
	Thomas B. Hayward
485-1-10	General, 1989-1995
485-1-11	Memoranda, 1989-1994
485-1-12	Speeches and Articles, n.d., 1989, 1991, 1993
485-1-13	Trip Reports, 1993-1994
485-1-14	Walt Southward, 1989-1993
485-1-15	Floating Space Launch Platform, 1990-1993
485-1-16	Governor's Space Activities Committee, 1987-1989
485-1-17	Hawaii Space Development Authority, 1989-1993
485-1-18	Hawaii Space Pavilion, 1989-1990
	Information Requests
	Legislature
	Andrew Levin
485-1-19	1987-1988
485-1-20	1989-1993
	Other
485-2-1	1987-1991
485-2-2	1992-1993
485-2-3	1994-1995
485-2-4	Uniform Information Practices Act/Other, 1991-1994
485-2-5	International Space Year, 1988-1993
485-2-6	Japan-U.S. Cooperation in Space, 1987-1995
485-2-7	Loss of Funding: HB 2540, 1994
485-2-8	Organization, Mission, Activities and Budget, n.d., 1987-1995
485-2-9	Pacific Missile Range Facility, Barking Sands, 1987, 1991-1995
485-2-10	Pacific Space Center, 1991

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Series Number: 485

Series Title: Records Relating to the Office of Space Industry

<u>Box & Folder</u>	<u>Contents</u>
485-2-11	Personnel Matters, 1988-1995
485-2-12	Press Releases, 1987-1994
	Space and Economic Development
	Arthur D. Little Final Report
485-2-13	Evaluation of the Potential for Space Related Activities in the State of Hawaii, 1987
485-2-14	Responses to Final Report, 1987
485-2-15	General, 1987-1994
485-2-16	Space Camp Report, 1990
	Space Education Programs
485-2-17	1989-1991
485-3-1	1992-1995
485-3-2	Space Expo '92, 1987-1993
485-3-3	Space Quest '90, 1989
	Spaceport
485-3-4	Arthur D. Little Final Report: Selection of a Location for a Space Launch Facility in the State of Hawaii, 1988
485-3-5	Conceptual Plan and Project Description for a Commercial Satellite Launching Facility in the State of Hawaii, 1993
485-3-6	DBEDT Hilo Office, 1992-1993
485-3-7	Draft Hawaii Spaceport: State Management Plan, 1991
485-3-8	Draft White Paper, 1994
	Environmental Impact Statement-Related Materials
485-3-9	1988-1992
485-3-10	1993
485-3-11	1994-1995
485-3-12	General, 1987-1994
485-3-13	Hawaii County Council, 1989-1994
485-3-14	Interim Report: Project Description and Conceptual Facilities Layout for a Commercial Rocket Launching Facility in the state of Hawaii, 1991
485-3-15	Lockheed Corporation, 1990-1993
	Public Relations
485-3-16	1987-1990
485-3-17	1991-1994
485-3-18	TRW Corporation, 1990-1995