

NASA OFFICE OF PUBLIC AFFAIRS
WASHINGTON, D.C.

"Space Industry Task Force Update"

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Panelists:

GARY LOCKE, Secretary,
U.S. Department of Commerce; and Co-Chair,
Task Force on Space Industry Workforce
and Economic Development
CHARLES F. BOLDEN, JR., Administrator,
National Aeronautics and Space Administration;
and Co-Chair, Task Force on Space Industry Workforce
and Economic Development
ALAN GRAYSON, United States Representative
from the State of Florida (D-Orlando)
SUZANNE KOSMAS, United States Representative
from the State of Florida (D-New Smyrna Beach)

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Moderated by
FRANK DiBELLO, President, Space Florida

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10:40 a.m. to 11:52 a.m., EDT
Friday, June 4, 2010

Orlando Airport Hyatt Hotel
Orlando, Florida

P R O C E E D I N G S

1
2 **MR. DiBELLO:** Good morning, everyone. I want to
3 welcome each of you and thank you for joining us here
4 today, especially in what we realize has been very short
5 notice.

6 We're pleased to host this meeting, the purpose
7 of which is to enable an important dialogue and enable your
8 participation and input that hopefully will facilitate
9 economic development strategies and plans and help
10 transform our regional economies and address what are
11 impending workforce needs.

12 In February, through his budget recommendation,
13 the President put forth a new direction for the nation's
14 space program, which was further clarified in his address
15 to all of us on April 15th.

16 We face a number of challenges in this region
17 centered around the transition of the nation's civil space
18 program to a new era, the emergence of new commercial space
19 industry, the heightened interest by our nation's
20 Department of Defense in new space applications, and the
21 need to transform the Kennedy Space Center and Cape
22 Canaveral Air Force Station to provide capabilities that

1 our 21st-century space program will need.

2 For us, it is also vital to preserve and refresh
3 key assets that are essential to our nation's space future
4 -- our capable and skilled industry workforce, R&D
5 capabilities, and the space infrastructure -- and to
6 preserve these through this transition. And while the
7 challenges are significant, they also provide opportunities
8 for us as a region that when managed strategically will
9 allow us to emerge even stronger than before.

10 Avoiding the potential dispersion of the U.S.
11 human space flight capable workforce and its add-one
12 effects are foremost in our discussions as we plan for the
13 future, and I can tell you that we are not alone in our
14 concerns during this transition time. The need to
15 transition the workforce quickly into new businesses with
16 skill sets that are adapted to many of the new job creation
17 opportunities that we see on the horizon and are seeking
18 will enable success in keeping our critical skills, and the
19 solutions that are necessary will be achieved by all of us
20 through partnership and collaboration among Federal, State,
21 and local leaders working together to achieve regional
22 solutions to the building of a 21st-century economy and the

1 region's economic well-being.

2 At this time, it is my pleasure to introduce
3 Department of Commerce Secretary, the Honorable Gary Locke.
4 Secretary Locke was appointed by President Obama as the
5 thirty-sixth Secretary of Commerce and sworn into office on
6 March 26th, 2009. He also serves as Co-Chair of the Task
7 Force on Space Industry Workforce and Economic Development
8 with NASA Administrator Charles Bolden.

9 At the Department of Commerce, Secretary Locke is
10 helping drive and implement President Obama's ambitious
11 agenda to turn the nation's economy around and put people
12 back to work.

13 He is the first Chinese American to hold this
14 post in a President's Cabinet. His grandfather emigrated
15 to China -- or emigrated from China to Washington State,
16 and his family knows the struggle that many immigrants face
17 in establishing themselves in a new country.

18 Prior to his appointment as Secretary of
19 Commerce, Secretary Locke helped U.S. companies break into
20 international markets as a partner in the office of Davis
21 Wright Tremaine, and he co-chaired the firm's China
22 practice and was active in international government

1 relations.

2 As a popular two-term Governor of Washington, the
3 nation's most trade-dependent State, Locke broke down trade
4 barriers around the world to advance American products. He
5 helped open doors for U.S. businesses by leading trade
6 missions to Asia, Mexico, Europe, and international trade
7 has been a hallmark of his career and the background that
8 he brings to the Department of Commerce.

9 Please join me in welcoming U.S. Secretary of
10 Commerce Gary Lock.

11 [Applause.]

12 **SECRETARY LOCKE:** Well, thank you very much,
13 Frank, for the introduction, and thank you for the great
14 work that you are doing as President of Space Florida. I'm
15 really pleased to be sharing the podium with Congressman
16 Grayson and Congresswoman Kosmas and also Administrator
17 Charlie Bolden, and he and I are co-chairing the Task Force
18 that we'll be talking a little bit more about.

19 But it's really great to be here with so many
20 business and economic development leaders in an area that
21 is really synonymous with American innovation and
22 scientific discovery. The science conducted in the Florida

1 communities that are connected to America's space industry
2 have added immeasurably to our understanding of the world
3 and of the world beyond.

4 In the process, your industry has driven economic
5 development throughout the region but also helped spin off
6 countless private sector innovations from memory foam
7 mattresses to advanced computing and, even as the President
8 indicated in his last visit here, to the drink, Tang.

9 I came here today to talk about how this region
10 can build on that legacy of innovation and continue to
11 provide economic opportunity, good-paying jobs for its
12 people well into the 21st century.

13 I know that for many people here in Central
14 Florida, that promising future might seem very, very
15 distant right now. The region has endured some of the
16 worst of the economic crisis that has afflicted the entire
17 nation has to offer. A lot of homes have been lost.
18 Businesses have closed their doors. The unemployment rate
19 has been running at some 2 percentage points higher than
20 the national average, and, of course, the region is now
21 facing the impending retirement of the Space Shuttle
22 program, which will cause even further job losses and

1 hardship.

2 The Space Shuttle retirement, of course, was
3 announced many, many years ago, even before President Obama
4 even announced his candidacy for the United States
5 Presidency, but that doesn't make it any easier on the NASA
6 workers and their families or the businesses that depend on
7 those NASA families for work.

8 Before I leave here today, I hope all of you will
9 walk away with one unambiguous message. We are committed
10 to this region, and the measures that President Obama took
11 to restore our national economy are beginning to work, and
12 we're developing a very ambitious and targeted plan to
13 revitalize the Space Coast region.

14 First, let me talk a little bit about the
15 national economic picture. This morning, the Bureau of
16 Labor Statistics reported that in May, the U.S. economy
17 added some 431,000 jobs. It marks the fifth consecutive
18 month that the American economy has added jobs, excluding
19 temporary Census positions, nearly a half-a-million in
20 total. This comes on the heels of April's increase of
21 290,000 jobs, which was the largest monthly increase in 4
22 years. Now, the figure this morning that was announced,

1 431,000 jobs, includes mostly Census, government employment
2 figures, but, still, there was an increase in the private
3 sector jobs.

4 And, of course, the unemployment rate has dropped
5 to 9.7 percent, but what we're seeing is that right now,
6 behind these figures, we're seeing more companies
7 increasing the hours of their workforce. So many more
8 American workers are working longer hours, which is good,
9 but we want that to be translated into more people
10 eventually being hired instead of just having the workforce
11 doing more.

12 Of course, a lot of the workforce is still doing
13 three-quarter time, half time, and now they're starting to
14 put those workers to higher, higher or longer hours, and
15 that's good, and then, eventually, we'll see higher
16 employment or more employment instead of just using the
17 existing workforce for longer periods of time.

18 While all of these numbers are promising, we will
19 not reverse overnight 2 devastating years of recession, a
20 period in which we lost some 8 million jobs.

21 Now, as the President said this week, quote,
22 "It's not going to be real recovery until people can feel

1 it in their own lives," end quote.

2 But this is a start, and we are moving in the
3 right direction, and this recovery hasn't happened by
4 chance because the President took very aggressive steps to
5 stabilize the financial system, to keep people in their
6 homes, to pass a Recovery Act that created demand in our
7 economy when local governments, consumers, and businesses
8 couldn't or wouldn't spend.

9 These steps have not always been popular, but it
10 was the right thing to do, and it has made a measurable
11 difference in people's lives.

12 Here in Florida alone, the Recovery Act is
13 responsible for giving some \$3.5 billion in tax cuts to 7
14 million working families in Florida, has provided 1.2
15 million Floridians with expanded, extended unemployment
16 insurance, and that unemployment insurance is used to pay
17 the bills, to buy groceries, and to pay the rent or the
18 mortgage.

19 Meanwhile, the Act has funded some 700
20 transportation projects in Florida valued at some \$1.7
21 billion, and those construction workers shop in malls, eat
22 in restaurants, buy cars, remodel their homes, and support

1 many other businesses.

2 These investments have helped Florida weather one
3 of the most difficult economic periods in its recent
4 history, and now as we begin to emerge from this recession,
5 we need to charge a new economic path. America cannot
6 return to the pre-crisis days when we relied on bubbles,
7 debt, and financial speculation, or middle class families
8 saw their wages flat for an entire decade while things like
9 college tuition and health care costs skyrocketed.

10 We simply must build a stronger foundation for
11 growth and prosperity, and that's exactly what this
12 President aims to do, from overhauling our health care
13 insurance system to make it more affordable and to provide
14 more health care, to ensuring greater accountability on
15 Wall Street and stronger protections for consumers to
16 prevent those very abuses in the future that the financial
17 sector lapsed into that caused much of our current economic
18 woes. The tough choices that we made will have long-term
19 benefits.

20 In the months ahead, we're going to have to build
21 on that economic foundation with investments in the skills
22 and education that we all need to compete, and we're going

1 to have to put money into investments in a 21st-century
2 infrastructure, like high-speed rail and high-speed
3 Internet; investments in research and technology like clean
4 energy that can lead to new jobs, new exports, and new
5 industries. And, finally, we're going to have to keep
6 empowering local communities to take control of their own
7 destiny to identify their strengths and to capitalize on
8 those strengths to build a better future. That's the
9 guiding principle behind President Obama's plan to spur
10 long-term recovery on the Space Coast.

11 To begin with, the President is ensuring that the
12 Kennedy Space Center and all of NASA have resources that
13 they need to pursue new avenues of discovery. The
14 President has proposed to increase NASA's budget by \$6
15 billion over the next 5 years with goals of developing
16 path-breaking technologies, increasing the program's reach
17 and reducing the cost of deep space exploration, and
18 creating thousands of new jobs.

19 But the President is also targeting resources
20 specifically to Central Florida with a \$40-million
21 multi-agency Task Force on Space Industry Workforce and
22 Economic Development, and I'm co-chairing this Task Force

1 with NASA Administrator Charlie Bolden, and we're going to
2 be working closely with colleagues throughout the Federal
3 Government and local leaders to expand the region's
4 economic base, to identify emerging opportunities, and to
5 ensure that the region's aerospace workers have the
6 training and the resources that they need to be an integral
7 part of the region's new economic strategy.

8 What will this strategy look like? Well, it's
9 going to be largely shaped by folks in the room here today.

10 You know what your strengths and weaknesses are. You know
11 what investments can have the most impact, and you have a
12 vision for this community. So this Task Force will not be
13 imposing some solution from Washington, D.C., but instead
14 will be conducting a very aggressive outreach to this
15 region's non-profit organizations, business and labor
16 leaders, State, local, and Tribal government leaders.
17 Anyone who has a say in this region's economic development,
18 we want at the table.

19 And once the Task Force has gathered the best
20 ideas from throughout the region, we owe the President an
21 action plan by August 15 on how we will spend this \$40
22 million to further the economic development of this region.

1 The work of our Task Force is also going to be
2 supplemented by some \$15 million in a new grant from the
3 Labor Department that will provide displaced NASA workers
4 in the region with career guidance, job training, and
5 continuing education programs.

6 A lot of resources will be coming to this area in
7 the next several months, and that will build upon the
8 already-substantial investments that the administration and
9 the Commerce Department have made in Central Florida just
10 within the last year.

11 The administration has also made a very
12 substantial investment in Central Florida's transportation
13 infrastructure with a \$1.25-billion Recovery Act funding
14 for America's first high-speed rail line.

15 At the Commerce Department's Economic Development
16 Administration -- and John Fernandez who heads that up is
17 here and will be participating in the panel in a few
18 minutes, but, under the Economic Development
19 Administration, we've got an array of promising investments
20 in the works already underway.

21 We're helping the Titusville-Cocoa Airport
22 Authority expand Bristow Academy, its renowned helicopter

1 pilot training facility.

2 We've invested \$1.5 million to expand an R&D
3 facility for the photonics industry at the University of
4 Central Florida.

5 We're helping build a new biosciences research
6 facility at Port St. Lucie, and we have invested \$13.2
7 million in the new University of Florida; Gainesville,
8 Florida, innovation hub.

9 Now, at first glance, these efforts might not
10 seem to have much in common, but rail lines, technology
11 incubators, R&D labs, workforce training facilities, these
12 are all important building blocks of economic growth, and
13 Central Florida with its highly skilled world-class
14 aerospace workforce has an uncommon set of strengths to
15 build upon and to use in expanding its economic base.

16 So we're looking forward to working with all of
17 you in the months ahead as we all work to focus on the very
18 same goal, creating high-skilled, high-wage jobs, and
19 growing Central Florida's economy, and we have much that we
20 have to do over the months ahead. There is going to be --
21 there are certainly a lot of families that are struggling
22 and who are worried about the future, but we are committed

1 to this region.

2 I want to thank you for inviting me and taking
3 time out of your busy schedules to meet with us today as we
4 talk about some of the ideas as we move forward. We will
5 be able to and happy to answer any questions that you might
6 have in just a few minutes.

7 But, first of all, let me now turn it back over
8 to Frank who will introduce our next speaker, NASA
9 Administrator Charlie Bolden.

10 [Applause.]

11 **MR. DiBELLO:** Especially in the interest of time
12 and because the gentleman that I'm about to introduce has
13 such a distinguished background, I am simply going to bring
14 him up to the podium.

15 We have had the pleasure of Administrator Bolden
16 attending events and displaying his support for Florida on
17 numerous occasions, but we're very, very proud that he's in
18 the job at this time and is doing a great job. He brings
19 both astronaut background, administrative skill, and a
20 passion not just for space but for education and all of the
21 things that we look at as ingredients for our future.

22 So that's the most nontraditional introduction,

1 but clearly one that's --

2 [Applause.]

3 **ADMINISTRATOR BOLDEN:** Thank you. Thank you all
4 very much.

5 And, Frank, thank you very much. You're the
6 first person that's ever done what I asked with an
7 introduction that says keep it brief, and the only thing
8 you didn't do was talk about my three granddaughters, but
9 that's all right. But I got that in.

10 [Laughter.]

11 **ADMINISTRATOR BOLDEN:** Let me thank Congresswoman
12 Kosmas and Congressman Grayson for being with us today
13 also. It's important to have you here because I know how
14 dedicated both of you are to the region.

15 Again, I want to thank you, Frank, for hosting
16 this and moderating, but, especially, I want to thank my
17 friend, Gary Locke, for what you continue to do for us in
18 the nation but particularly here in Central Florida, and
19 it's exciting to have the opportunity to work with you on
20 this Task Force.

21 The other two people that I want to thank,
22 because they are the worker bees, anytime you put a Task

1 Force together, you have the Chairs who come together now
2 and then, and then you have the workers. And the workers
3 for Gary and me happen to be Assistant Secretary John
4 Fernandez, who is sitting right here, third to my left, and
5 all the way down on the end, my Associate Administrator for
6 Mission Support, Woodrow Whitlow, and they have been hard
7 at work for a couple of months now. Hopefully, when we
8 leave here today, you will understand that we really have
9 been hard at work doing fact-finding and trying to get to
10 the point where we can really make a difference here, but
11 we want to hear you, and I echo what Gary said about we
12 need to hear what your concerns are and where you think we
13 can go.

14 I am really pleased to be here -- again, let me
15 say that -- to talk about changes in our NASA programs but
16 also, in particular, to talk about the President's plan and
17 how we're going to phase out the Space Shuttle and end the
18 Constellation program.

19 The impact of those changes across the country
20 and what NASA is doing to work with that is what we want to
21 try to present to you today.

22 It's most appropriate that we gather here in

1 Central Florida to outline NASA's activities, to mitigate
2 these end-of-program impacts, and how we address the
3 long-term solution of economic diversification in those
4 parts of the country that count heavily on human space
5 flight program for economic health.

6 The Kennedy Space Center continues to be critical
7 to our country's ability to advance its space exploration
8 goals and as a major contributor to this region's economic
9 health. The President's 2011 budget proposal includes an
10 investment of \$1.9 billion over the next 5 years to
11 modernize the Florida launch range and transform the
12 Kennedy Space Center into a facility that is worthy of
13 leadership in this nation's 21st-century space programs.

14 It's intended to set the foundation for NASA's
15 current and future operations at KSC and to enhance the
16 capabilities of KSC and the U.S. Air Force Eastern Range
17 for civil, commercial, and national security customers.
18 It's also intended to spur economic development in the
19 Central Florida area.

20 I am pleased that the President's efforts are
21 taking the broad view of this entire region in generating
22 innovative thinking to foster economic development at all

1 levels. We are confident that NASA's contribution to the
2 solutions we seek will have wide-reaching benefits for all
3 of Central Florida.

4 The highly skilled civil service and contractor
5 workforce team is one of NASA's greatest assets, and their
6 hard work and talents have enabled America to be the
7 world's premier space-faring nation. That's why we've been
8 developing plans for more than 5 years now to help
9 transition the Shuttle workforce to the next phase of their
10 careers, realizing that there will be no quick fix to this
11 challenge but at the same time striving for a long-term
12 solution.

13 NASA established the Space Shuttle Transition
14 Liaison Office in 2009 to assist local communities affected
15 by termination of the Space Shuttle program. Specifically,
16 the office staff provides nonfinancial technical assistance
17 to the communities and identifies services available for
18 other Federal, State, and local agencies to assist in
19 mitigating impacts of the end of the Space Shuttle era.

20 They also gather and disseminate information
21 about opportunities available through these agencies. The
22 office has wide-ranging impacts. It builds on an existing

1 network of NASA human space flight centers, Johnson Space
2 Center, Kennedy Space Center, Marshall Space Flight Center,
3 and Stennis; prime Shuttle contractors such as ATK,
4 Lockheed Martin Space Systems, Pratt & Whitney Rocketdyne,
5 United Space Alliance; and workforce development
6 organizations from Florida, Louisiana, New Mexico, Texas,
7 Utah, and California.

8 The Space Shuttle Transition Liaison Office staff
9 has developed contacts with the Departments of Labor,
10 Defense, and Commerce to explore resources available to our
11 communities. They use a variety of mechanisms,
12 face-to-face meetings, telecons, websites, et cetera, to
13 exchange information and best practices.

14 Locally, the Kennedy Space Center has been very
15 proactive in implementing workforce transition activities.

16 We've opened up four workforce transition offices since
17 March 1st, 2010, including one that is co-located with the
18 Brevard Workforce Office. Their services include helping
19 employees with Federal website navigation, résumé writing,
20 and interview skills training. To date, 324 employees --
21 and 97 percent of those have been contractors -- have been
22 counseled in these offices. In partnership with Brevard

1 Workforce, Kennedy has conducted training for over 350
2 employees, offering classes for civilian and military
3 employees in interviewing skills and in understanding the
4 Federal employment process.

5 NASA is compiling a contractor workforce profile
6 to plan transition activities and continue to attract
7 employers with placement opportunities.

8 Over 900 employees participated in a virtual job
9 fair that was held from May 17th through the 31st this
10 year. Kennedy leadership established a KSC Workforce
11 Transition VOICE website.

12 I had to go look up "VOICE." All of you know
13 what VOICE is? Go look it up. All right. Some people
14 know.

15 But we established a KSC Workforce Transition
16 VOICE website on March 1st, 2010, and that has had over
17 5,000 hits to date. The site has information of job fairs,
18 a link to a virtual job fair, information on June 2010
19 on-site job fairs, listings of Federal and industry
20 employers who are participating in the fairs, how to
21 prepare for the fairs and instructions on how to get
22 transportation to these fairs.

1 Currently, 10 Federal and 20 private sector
2 employers are registered for a June 24th, 2010, job fair.
3 A June 25th Job Off-Center Fair is targeted at current and
4 displaced KSC employees.

5 We also conducted a Goddard Space Flight Center
6 showcase, May 6th through the 7th, up in Maryland, with the
7 goal of hiring 300 employees before September 30th.

8 The United Space Alliance coordinated several
9 events with Federal and other private sector employers and
10 partnered with NASA on a Federal employer event. These
11 efforts addressed the short-term issues of employment
12 opportunities for our nation's space workforce. The
13 long-term solution is to spur economic growth and
14 diversification in the areas affected by ending the Space
15 Shuttle and Constellation program and to ensure that the
16 workers are suited to perform new work that results, as
17 Gary talked about during his comments.

18 This is why Commerce Secretary Gary Locke and I
19 are here today, to emphasize the commitment made by
20 President Obama to invest \$40 million to help transform the
21 economies of the Space Coast and prepare workers for
22 opportunities of tomorrow. Our plan is to devote

1 approximately \$30 million to spur regional economic growth
2 in the area surrounding the Kennedy Space Center and \$10
3 million for job training activities in this area.

4 I am pleased that the President's efforts are
5 taking the broad view and generating innovative thinking to
6 foster economic development at all levels. I am confident
7 that NASA's contribution to the solutions we seek will have
8 wide-ranging benefits for our country and all of Central
9 Florida.

10 I look forward to talking with you and hearing
11 your ideas on how we move forward from here. Thanks very
12 much for coming out today, and thanks very much for
13 allowing us to be here with you.

14 [Applause.]

15 **MR. DiBELLO:** We are going to try and move
16 quickly into a discussion period.

17 As I mentioned, the primary purpose of today is
18 to connect with stakeholders in the region and to give you
19 an opportunity to participate and provide input to the
20 Committee, but, before we get into that, I do want to
21 introduce two other people who are sitting up at the panel.

22 To my immediate left is Congressman Alan Grayson

1 who is with the 8th Congressional District and who clearly
2 grew up and was educated in the Bronx but has become a
3 staunch Floridian and defender of the space industry, and
4 we want to recognize him and give him an opportunity to
5 address you.

6 **CONGRESSMAN GRAYSON:** Thank you.

7 For more than a generation, we have welcomed
8 people from all over the country and all over the world to
9 Central Florida, and for the last 2 years, we have had the
10 honor of welcoming the highest administration officials in
11 our government, the President, the Vice President, and now
12 with some frequently Members of the Cabinet. And it is my
13 pleasure to welcome today, the Secretary of Commerce for
14 the second time in just a few weeks to Central Florida, and
15 to emphasize how important that is to us.

16 One of the fundamental reasons why we obtained a
17 billion-dollar grant from the government is because
18 Secretary LaHood came here when those grants were being
19 processed. He told us what we needed to do in order to
20 qualify for that grant, and he listened to us and saw our
21 enthusiasm to be a mover and shaker across the country in
22 high-speed rail. It made a difference because we were able

1 to get that money and put an essential piece of new
2 infrastructure into Central Florida.

3 For a generation and more, we have also been the
4 home of man in space and have created an excitement around
5 the country and around the world to see our adventures to
6 go into space, to explore, to see what's out there, and
7 it's something that is very much a part of our human
8 character to want to do that, to see what's beyond the next
9 hill, to climb the next mountain, and ultimately to see
10 what's in space.

11 And it's been wonderful for us in Central Florida
12 to be right at the center of that, again, for more than a
13 generation and very important to us and our national
14 character, because we are not a country of one language.
15 We are not a country of one religion. We are not a country
16 of one race or one ethnicity. We are a many, varied
17 country, and country that's very diverse, and the one thing
18 that we have in common, the one thing that brings us
19 together is excellence, being number one. And for us in
20 America and for us around the world, there is nothing that
21 symbolizes that more than the space program.

22 You can go into a museum in the midst of Burundi

1 in Central Africa, and in the midst of there, in that
2 chaotic area, if you go into the National Museum, you will
3 find a rock from the Moon, a gift from our space program.

4 All over the world, people look to America as
5 number one, and there is no better example of that than our
6 space program, and that's been true for more than a
7 generation. And we have to keep going. We have to keep
8 going.

9 I hope that NASA will commit that in the future,
10 manned space flight will begin in Florida, that every
11 launch that takes place, whether it's a government launch
12 or a commercial launch, will be one from Florida.

13 I have never actually heard a quantification of
14 the investment that's gone into Central Florida in the
15 manned space program, but I know it's in the billions,
16 probably tens of billions, maybe even hundreds of billions.

17 We hear so often about the need for the government to
18 avoid waste, fraud, and abuse. What greater waste could
19 there be than to take that investment in Central Florida
20 amounting to tens of billions of dollars and to throw it
21 away.

22 And it's not just an investment in plants. It's

1 not just an investment in facilities or in launch pads or
2 in equipment. It's an investment in people, in all of us.

3 We have an expertise that's been developed and should not
4 be wasted.

5 So, looking to the future, I hope that we'll see
6 more than just retraining of the people who are working in
7 Central Florida in the space program. I hope that we'll
8 see an extension of what we've already seen, an extension
9 into the future of America being number one and Central
10 Florida being at the heart of that.

11 Thank you.

12 [Applause.]

13 **MR. DiBELLO:** Fourth to my left is another
14 individual that needs no introduction certainly to this
15 group, but Congressman Suzanne Kosmas from the 24th
16 District, the Congressional 24th District, which covers
17 Brevard, Orange, and Volusia, is no stranger. She's been a
18 role model --

19 **ATTENDEE:** Frank, turn your mic on.

20 **MR. DiBELLO:** Sorry.

21 Has been a role model as a mother, a small
22 business owner, and a civic and social leader, and we're

1 very, very pleased to have her representing and defending
2 an industry that we all cherish.

3 Congressman Kosmas.

4 **CONGRESSWOMAN KOSMAS:** Thank you, Frank, and --

5 [Applause.]

6 **CONGRESSWOMAN KOSMAS:** Thank you.

7 I am, as usual, honored to be here and very proud
8 and honored to represent the Space Coast in Washington,
9 D.C. The challenges before us are big, but we will, as
10 Alan says -- we will prevail with excellence.

11 And I want to take a moment to thank the
12 administration for the focus they are putting on the Space
13 Coast and our transition period that we are going through.

14 I thank you, Secretary Locke, for being here
15 again, just a month ago, and now seeing the International
16 Travel Act focused on bringing international visitors to
17 this country. It was unveiled here in Central Florida, and
18 so we thank you for your attention to that as well as to
19 this very important issue that we're facing today.

20 Charlie Bolden, it's always good to see you.

21 Normally, I see Charlie when there is a Shuttle
22 launch or there is a hearing in Congress and he is being

1 forced to testify before us on certain initiatives. We're
2 glad to have you here, Charlie. I want to take this
3 opportunity to put in a pitch for one of the orbiters, when
4 the launches are done, to remain at Kennedy Space Center as
5 --

6 [Applause.]

7 **CONGRESSWOMAN KOSMAS:** We have generations, as
8 Alan referred to, of people who literally have Shuttle
9 launch in their DNA, and we think there is no more
10 appropriate place to dedicate to the legacy of the Shuttle
11 program than the Kennedy Space Center here in Central
12 Florida. So I couldn't resist the urge to make that public
13 pitch.

14 We are all here today for the same reason,
15 because we want to see this American leadership in space
16 exploration expanded in any way that is possible to do
17 that. We understand, and, again, we thank the
18 administration for the focus they have put on Central
19 Florida and on the opportunities that we have here.

20 The most important task that we have, I think, is
21 to ensure that we are able to retain our highly skilled and
22 professional workforce here in Central Florida because,

1 without it, it will be impossible for us to continue to be
2 the leader in space that we have enjoyed for generations,
3 as referred to by Congressman Grayson. We need that
4 workforce in order to ensure that that will be our future
5 in space exploration and manned space exploration, and in
6 order to retain them here, we need all the tools in the
7 toolbox.

8 As you heard, the Secretary of Labor was here
9 earlier this week with a \$15-million grant to Workforce
10 Brevard designed to assist and helping to find job
11 opportunities, retrain and re-skill if necessary. That's
12 one piece of the toolbox.

13 Other tools that we are going to need will emerge
14 as this Task Force -- and we are very blessed to have a
15 Cabinet-level Task Force coming to this area to help us
16 resolve our issue here. It's important to the nation.
17 It's important to us locally and to have this Task Force
18 come here and engage with you, because what we are looking
19 for is the local community, the local business community,
20 the counties, the cities, the State, all of you to have
21 input into how do we move through the transition to ensure
22 that we do retain our leadership in space exploration and

1 that Central Florida remains the home of manned space
2 exploration for the world and that America retains our
3 supremacy.

4 I've been working for many days since I got
5 elected a few -- 16 months ago or something like that to
6 ensure that the focus was here and that it was clearly
7 understood that we have a valuable resource and that we
8 have a team of people here ready to pull together to ensure
9 that we maximize everything that's being offered through
10 this program being announced today by the Secretary of
11 Commerce.

12 So I'm pleased to be here and pleased to be part
13 of the program. We look forward to continuing to work with
14 you, and I thank you again, Secretary, for being here to
15 make this announcement.

16 Thank you, Frank.

17 [Applause.]

18 **MR. DiBELLO:** We're here today to discuss issues
19 and challenges, ideas, and solutions, and we intend it to
20 be an open forum. At some point during the next half hour,
21 Administrator Bolden and Secretary Locke will depart for
22 the back of the room to give the press an opportunity for

1 some Q&A, but I'd like the rest of us to continue, if we
2 can, on an open discussion.

3 To help get that started, I've asked a couple of
4 regional leaders to address some of the things that are
5 already going on, to address the issues that we know about,
6 and I might start with Mark Nappi, who is Senior Vice
7 President with United Space Alliance, which is one of the
8 aerospace companies most significantly affected by the
9 Shuttle transition -- and I believe we've got mics out on
10 the floor -- but to give us some sense for the kinds of
11 things that are going on to help guide our discussion.

12 Mark?

13 **MR. NAPPI:** Thanks, Frank.

14 Thanks for listening to us this morning. I
15 represent the United Space Alliance. We are the Shuttle
16 prime contractor here at the Kennedy Space Center, in
17 Houston, Texas; and Alabama, largely Space Shuttle
18 operations. We do Space Station, Constellation
19 development, and recently have been certified to do some
20 DoD work at an intermediate depot center in Cape Canaveral.

21 Today, we have about just over 5,000 employees.
22 A year ago, we had a thousand more than that. At the end

1 of today, we'll have 3,000 -- or 300 less than that because
2 we'll be completing a layoff. As the plans lay out today,
3 by the end of the year, we'll have roughly a thousand
4 people left. So, hopefully, we -- I completely -- I have
5 gotten the feeling that you understand the urgency of the
6 issues that are in front of us.

7 I want to talk a little bit about the skills and
8 how they're diversified. We have engineers, technicians,
9 safety and quality personnel, project managers, computer
10 science, human resources, et cetera. These people hold
11 bachelor's degrees, master's degrees, Ph.D.'s and also
12 special certifications. So it's a wide variety of people.

13 It's a very diversified work group, the average age of 49,
14 with about 7 percent of that workforce that is eligible for
15 retirement or at a retirement age, less than 7 percent.

16 The high-tech jobs, the salary ranges between 40-
17 and \$90,000, and the human space flight team has really
18 established over 30 years. It's resulted in a very unique,
19 passionate and extremely dedicated, highly trained,
20 critical skilled workforce. So it's very important to be
21 able to maintain that.

22 If you try to summarize the efforts that we think

1 need to take place, first of all, we could categorize them
2 into two areas. The first one is retaining the core
3 skills. We understand that there is going to be a gap in
4 human space flight, and we must retain that core skill of
5 people in order to pick up human space flight when that
6 time comes. We need to keep those skills proficient.

7 The second area where we believe is certainly in
8 need of focus is the placement of skills. The follow-on
9 vehicle or follow-on human space flight systems are likely
10 not to employ the number of people that we have today. So
11 we're really looking at reemployment of these skills,
12 again, very high-skilled workforce, and there's a need to
13 find other positions for those people.

14 So both of these focused areas, retraining and
15 replacement, are going to require an increase of
16 diversification of our business base in this area, and, of
17 course, we have outlined the urgency of that.

18 So where can we focus? Well, it certainly is
19 important to build off these skills. We have a very highly
20 trained workforce. They're diversified. They're used to
21 working on high-technology systems, complex systems, and
22 critical systems, as in the Space Shuttle and International

1 Space Station.

2 They're focused on safety, high quality,
3 innovation, and risk reduction. They have skills in design
4 engineering, reverse engineering, systems and test
5 engineering, manufacturing, maintenance and repair,
6 materials processing, logistics, export compliance, safety,
7 quality and environmental management, and many others.

8 So where can this expertise be applied? Well,
9 obviously, in aerospace, government and commercial
10 opportunities, and that can be done by expanding KSC's role
11 in taking advantage of the resources that the Kennedy Space
12 Center has.

13 The DoD in military, we have a depot-level
14 maintenance facility at Cape Canaveral that has an ability
15 to repair hardware. As I understand, Department of Defense
16 has a lot of hardware coming back from the Middle East, and
17 we certainly have the skills and the resources to apply to
18 that hardware in order to get it back in the field again.

19 There's alternate energy, wind turbine, solar,
20 offshore wave energy, hydrogen fuel cell, et cetera, that
21 these high skills can be applied to.

22 There's certainly an expertise in risk reduction,

1 and then global business solutions, we have a strong talent
2 in export compliance through working with international
3 partners on International Space Station, and we also set up
4 remote sites in foreign countries, such as the landing
5 sites for the Space Shuttle.

6 Emergency response. We're used to responding to
7 hurricanes and mishaps and catastrophic events, and, of
8 course, what would be better than having the skilled
9 workforce that we have involved in education and training
10 of our young children.

11 So the bottom line, we have a uniquely skilled
12 workforce, wide breadth of skills, and it's applicable to a
13 wide variety of industry, and any industry would benefit
14 greatly from these skills.

15 We certainly appreciate your commitment to our
16 region, and I thank you for the opportunity to talk to you.

17 [Applause.]

18 **ADMINISTRATOR BOLDEN:** Frank? Frank, may I make
19 one comment?

20 You know, I cannot resist, what Mark just said.
21 I want to say something about his workforce. It's
22 incredible. They love what they do.

1 As they will tell you, they are not looking for a
2 job. They are looking for something that will help them
3 make a difference. So one of the things that Woodrow and
4 John and Gary and I are trying to do is not just help you
5 identify new jobs where they can go but things that they
6 can do that will be meaningful. So we do understand that,
7 and I just wanted to make sure that everybody understood
8 that we understand what we're trying to do. But I do want
9 to thank the workforce again because they are absolutely
10 incredible, and they are second to none.

11 **SECRETARY LOCKE:** Could I ask a question of Mark?

12 When you talk about the number of employees you
13 have and you talked about the different locations in which
14 your employees are located, all the way from here to Texas
15 and other locations, of the reductions that are planned,
16 what percentage will actually occur here in Central
17 Florida?

18 **MR. NAPPI:** I should have been more clear on
19 that. The reductions I spoke to are only for Florida.

20 **MR. DiBELLO:** Perhaps to speak to that also, Lisa
21 Rice, who is President of the Brevard Workforce Development
22 Board, has been both studying these numbers as well as

1 putting in some -- both training and retraining programs
2 aimed at new employers and new job opportunities.

3 Lisa, would you give us a very brief report? I
4 know there is so much going on.

5 **MS. RICE:** Absolutely. Actually, I'm not even
6 going to bother with some of the facts and figures that we
7 have been doing because you guys have heard it, the number
8 of workers and things.

9 I just want to tell you that we have already
10 trained 967 workers to date because we have been at this
11 since 2007. We have trained them in everything from
12 project management certifications to engineering degrees,
13 from health care occupations to entering into the modeling
14 and simulation field. We have 331 that are in training
15 right now today in those kinds of fields. We have over
16 4,100 workers registered with us already, and we are
17 reaching out to touch those workers as much as we can.

18 I will tell you that I have four -- four people
19 who do direct touches with these workers. That means they
20 have a caseload of about 800 workers each that they're
21 trying to touch. It's difficult. We're doing it, and I
22 have to now give big kudos to NASA because they have come

1 forward with us, and they are helping us deliver interview
2 workshops, résumé workshops. They're helping us with some
3 of the career counseling pieces that have to happen. It's
4 just been an amazing partnership. I've never seen anything
5 like this. So thank you very much for that.

6 The 15 million that's coming, I have to give
7 thanks for that, too, because that's going to expand our
8 staff capacity. It will make it easier for us to get to
9 these workers faster. So thank you very much for that
10 piece.

11 What do we need? Well, we need the ability to
12 grow high-skill wage jobs. We need research and
13 development funds. We need things that can build upon the
14 entrepreneurial training that we've already done with
15 hundreds of these workers who are ready to open up their
16 own job, their own business, I should say, but the problem
17 that they have is that they don't have venture capital.
18 They don't have that angel funder there, and, honestly,
19 they're learning to bootstrap it from the bottom up, but
20 they need some assistance there. They need mentoring, and
21 that takes a coordination of that effort.

22 We need a regional approach that taps into new

1 growing markets, international markets. We should be a
2 global presence here for trade, import, export, trading of
3 services. I'm not talking even just about the products.
4 I'm talking about the trading of our engineering services,
5 our project management capabilities. Heck, I'd even go as
6 far as to say our workforce development services. We have
7 a system in this nation that's second to none, and we
8 should be sharing that kind of information with other
9 nations who are looking for how do they solve their
10 workforce issues.

11 And incentives. We need to encourage businesses
12 to hire aerospace workers. There is a cultural perception
13 there that these are workers who have been in bureaucracy
14 for too long and are not innovative and are not going to
15 think outside of the box and are not going to work hard.
16 To anyone who thinks that, I say shame on you. Come out
17 here. Look at these workers. You will get a whole new
18 kind of vision with these folks because they do work hard.

19 They are willing to learn new things. They want to be
20 innovative, and they want to try new things.

21 And you're absolutely right, Mr. Bolden, that
22 they absolutely have a dedication to their job, and when

1 they look for that new job, they're going to want that same
2 kind of dedication there.

3 And the last thing that I would say to you that
4 we need to work on, which actually goes to what I just
5 said, is that cultural shift. We need to be able to show
6 the workers that here's the kinds of things they need to
7 prepare for as they're going into that commercial market,
8 and some of that comes from just businesses, being able to
9 express that directly to the workforce; here's what we
10 expect to see.

11 We've done this with a few companies, and right
12 now we're working to take that to actually a videotaped
13 kind of production where we have businesses directly
14 telling workers, "Here's what it means to work in our
15 company," and just prepping them for that cultural change.

16 And I'll shorten it right there. Thank you.

17 [Applause.]

18 **MR. DiBELLO:** Thank you, Lisa.

19 The other side of the training and retraining
20 equation is job creation, and I might ask Lynda Weatherman
21 who is the President of the Economic Development Commission
22 of Florida Space Coast to address some of the things that

1 are going on in the region, and I might add that Space
2 Florida and the Economic Development Commission and the
3 Workforce Board have really been working closely together
4 with other regional economic development organizations,
5 both for long-range growth as well as short-range
6 activities to fill that gap.

7 Lynda?

8 **MS. WEATHERMAN:** Thank you, Frank, and I'll be
9 brief in my comments.

10 My comments are reflective of what, Secretary
11 Lock, you said earlier in -- when you were making opening
12 remarks, and if I could paraphrase what you said, it was --
13 tell me if I'm wrong, but, basically, you said, you know,
14 we have the Federal Government. There's tools that we
15 could bring to the table, but the end of the day, it's the
16 ultimate role and responsibility of the local government,
17 the local community to decide the future that they want.
18 It's our loss of jobs and our future, and it's under that
19 comments that I want to make my input, if I could.

20 We oversee a comprehensive economic development
21 program, and there's many parts to it, but the one I want
22 to focus on is obviously the business development side. In

1 an economic development on the business development side,
2 we look at resident industries looking to expand and
3 companies looking to relocate, and I'd like to give you two
4 examples of two successes because I would like us to use
5 that as a template of how we might focus these funds on.

6 The first one is an expansion from an existing
7 business that we had in there, yet a diversification from
8 the core in the types of work that we've done in the past,
9 and that's when Lockheed Martin anointed KSC and Brevard
10 County to do the CEV work or the Orion work. What was
11 significant about that is because we were able to go on our
12 core strength but as a diversification because, Secretary
13 Locke, it was the first time in the 50 years of the State
14 of Florida we're doing assembly work of a launch vehicle.
15 We know we can do that again.

16 The second one is Embraer, a diversification from
17 the traditional work that we have, yet highly technical,
18 and building on our aviation. It's the first North
19 American plant to build a Phenom 100 and 200, international
20 company.

21 So what I'm using these two examples is, if we
22 could use those as templates that would -- for the funding

1 that would look at -- the source of funding could be
2 infrastructure. It could be bond. It could be financing.
3 It could be on-the-job training. But let's use the
4 successes in the past that will create sustainable jobs
5 within a 1-, 3-, to 5-year period that are direct to market
6 in certain industry clusters, if you will. They could be
7 traditional, too.

8 So, in closing, because I know we have a --
9 there's a lot of good input we want, but if we could look
10 at two past successes that amount to almost a thousand jobs
11 -- and there's others, too -- use those as templates to
12 what we need to be able to focus these funding to do job
13 creation and quick return on investment of these important
14 funds that are very limited, and we understand.

15 And thank you.

16 [Applause.]

17 **MR. DiBELLO:** Thank you, Linda.

18 I might at this stage invite open discussion
19 either for ideas or comments they may wish to make, and
20 I'll look around the room.

21 M.J.?

22 **MR. SOILEAU:** I'm M.J. Soileau. I'm Vice

1 President for Research and Commercialization at the
2 University of Central Florida. I'm sort of the geek in the
3 room. You know, you can tell by the tie and the pens in
4 the pocket.

5 I wanted to mention three projects that we're
6 involved in right now that could have a major effect on
7 what we're talking about here today. The first is to -- at
8 the University of Central Florida which, by the way, is the
9 largest university -- and many people have never heard of
10 it. We have over 53,000 students and expecting 55,000 this
11 fall.

12 We have at UCF, the Florida Space Institute,
13 which has been an institute in our Electrical Engineering
14 Department, and we have just recently elevated that to a
15 university-level institute and working with the board of
16 governors to expand its function to be a statewide
17 institute.

18 Florida has four of the nation's top ten
19 universities in terms of enrollment here in Florida with a
20 tremendous amount of engineering and science talent, and
21 the objective of this reconstituted Florida Space Institute
22 is to marshal that talent, to take advantage of, and to

1 contribute to the new directions that NASA has taken,
2 particularly in the development of new technologies, et
3 cetera, and also to help the State of Florida diversify its
4 space-based economy.

5 The second project I want to mention briefly is a
6 proposal submitted to actually five agencies, but the lead
7 agency is the Department of Energy, and this is for a
8 regional hub for building science, for conservation efforts
9 in our homes and our businesses.

10 Participating in that effort is the Department of
11 Commerce, and the EDA is a part of that effort, as well as
12 the Department of Labor. It's a consortium of Federal
13 agencies, and we put together a consortium of universities,
14 industry, and government units in our area to establish
15 this hub on Florida Space Coast. And this project, which
16 is a \$129-million project, would focus on development of
17 efficiency efforts in our homes and in our businesses,
18 putting to work immediately the most economically
19 distressed part of Florida's economy, that is, to building
20 a trades industry that would make great use of the
21 engineering talent that's out at the Space Coast and
22 throughout the Central Florida area to develop new energy

1 efficiency measures and to install those in people's homes
2 and businesses to reduce cost of energy.

3 That proposal has in it an expansion of our
4 incubator network which, as has been mentioned, the EDA has
5 supported. That network has created over 2,500 jobs and
6 produced more than \$200 million a year of economic activity
7 for our region.

8 So, as this workforce is available, there will be
9 lots of bright people -- we heard Lisa talk about it before
10 -- that are anxious to start the business, and we have a
11 nice established track record in infrastructure both at UCF
12 in this incubator network and in Brevard County as well
13 with the Technology Research and Development Authority
14 ready to assist these people, and it wouldn't take that
15 much investment in order for us to help these very
16 innovative people that are interested in starting their own
17 business. And, as you know, the growth of jobs in the U.S.
18 is almost always dominated by small business. So we're
19 ready to participate in that.

20 The third project I want to mention is a very
21 highly competitive proposal, which we are submitting a
22 concept paper for Monday morning to the Department of

1 Energy. It's to establish an industry consortium here in
2 Florida that is devoted to the manufacturing of
3 photovoltaics. It's a very ambitious project to get
4 photovoltaics to grid parity within 5 years, and we think
5 that we can do that with the industry consortium that is
6 being put together.

7 The initial space would be in the Palm Bay
8 facility, which was donated to UCF just this Tuesday. It's
9 a 100,000-square-foot fab facility, semiconductor fab
10 facility. And, in the next 5 years, we will get to this
11 point of grid parity, and, when we get to the point of grid
12 parity, there are going to be literally millions of jobs
13 created across the country and hundreds of thousands of
14 jobs possible in our State.

15 Now, I know that's a lot of hyperbole, but, when
16 you think about what it would take to convert 10 percent of
17 Florida's use of photovoltaics, that would generate 300,000
18 jobs in the State of Florida.

19 So very ambitious project, the concept paper is
20 going in on Monday morning. We ask you to snatch it out of
21 the pile and fund the sucker. We'll do a good job for you,
22 all right?

1 [Laughter.]

2 **MR. SOILEAU:** And, with that, I'll yield the
3 floor.

4 [Applause.]

5 **MR. DiBELLO:** We'll keep some of this open
6 discussion going for a few minutes more.

7 Dale, did you have a comment that you wanted to
8 make or a question?

9 **MR. KETCHAM:** My name is Dale Ketcham. I am
10 Director of Spaceport Research and Technology Institute at
11 Kennedy Space Center, run by University of Central Florida.

12 And I guess I wanted to speak to the tools that
13 we're hoping to get from the Task Force as part of your
14 plan because a key component -- I've been here my whole
15 life. I learned to walk on Cocoa Beach years before NASA
16 wa even created. I've grown up as a KSC person.

17 I can remember when the original -- the original,
18 I point out, mission control for human space flight was
19 here at Kennedy Space Center before President Johnson
20 rudely took it to Texas, but that's another issue for
21 another day.

22 [Laughter.]

1 **MR. KETCHAM:** As I said, I'm a KSC person, and
2 KSC has always been the agency's operations center. And
3 that's been great. Our workforce, we're immensely proud of
4 them. They poured their heart into it, but that hasn't
5 been all positive for the State of Florida just being
6 operations.

7 The result of that is we've got a spectacular
8 contractor, NASA workforce, that's going wonderful work,
9 doing innovative resourceful capabilities, meeting the
10 needs, best bang for the buck in the agency. I'll bet you
11 a dollar on that. But the problem is the work as purely
12 operations has been -- it's isolated. The work product
13 doesn't get beyond the fence. There is no
14 cross-pollination of technology.

15 The workforce is extraordinary. They're in our
16 communities. They're part of our PTOs, our little leagues,
17 our churches, our businesses, our not-for-profits, but
18 there's very little activity between the fence. And what
19 the President has proposed is extremely exciting to me
20 because I've been involved in economic development either
21 at or with KSC for 30 years, and everything we've been
22 pushing for, for a generation, is available in what the

1 President is proposing because he's trying to take what
2 NASA generates, the magic of NASA in terms of technology
3 development, and allow that to be better integrated into
4 the economic marketplace, so we can be taking these
5 technologies, spinning them off into the small businesses
6 that generate the new product line, employ people who then
7 pay the taxes that allow us to retire the debt that's
8 stifling our ability to explore the heavens.

9 And we really want to commend -- if you can give
10 us the tools to follow on with what the President has
11 proposed for NASA, then we can take it. There are a lot of
12 skilled people in this room that have been studying this
13 problem because we know this has been coming for 6 years.
14 We can take those tools and turn them into what the
15 taxpayers have a right to expect this \$40 million is going
16 to be used for because, as M.J. said, this place is rife
17 with lasers and photonics and the life science, and the
18 medical city that's growing up, if you can look out those
19 windows and see them coming up out of the grown,
20 extraordinary opportunity in this State.

21 So we look forward to working with you in
22 developing the right tools that this State can use, so the

1 taxpayers can be happy with their investment of \$40
2 million.

3 Thank you.

4 [Applause.]

5 **MR. DiBELLO:** Thank you, Dale.

6 I'm going to reserve the Chairman's right to make
7 a comment because Dale's comments are right on.

8 Literally, the State of Florida -- and I've been
9 the beneficiary of a very extraordinary legislative
10 session, but Space Florida has been given a significant
11 level of funding for the State to implement a strategy of
12 diversification from its core capabilities in launch and
13 payload processing and the ground support that goes with
14 that to diversify across a number of other segments that
15 include clean energy applications, many of the areas that
16 you've heard referenced today.

17 With that investment in some of the tools that we
18 hope to attract, we feel very pleased or very confident
19 that we can achieve the kind of goal that we have set for
20 growth of aerospace in the State, and that is to achieve a
21 three-times growth by the year 2020.

22 Our biggest hurdles are in this short-term

1 period, while we go through the chasm, to be able to take
2 the very solid workforce that we've got and be able to
3 apply it to many of these new areas and new opportunities.

4 I wanted to call attention to Senator Thad Altman
5 from the Florida legislature who is not only a member of my
6 board, so I'm compelled to do this --

7 [Laughter.]

8 **MR. DiBELLO:** -- but he is also one of the
9 leaders that worked with President-designate Mike
10 Haridopolos, President of the Senate, and Dean Cannon in
11 the House to really commit the Florida legislature to a
12 sustained multi-year support of the growth of our industry
13 and the power of space to serve as an economic catalyst for
14 many of the other sectors that represent the
15 knowledge-based economy we want.

16 Senator Altman?

17 **SENATOR ALTMAN:** Thank you, Frank and Secretary.

18 Thank you for taking the time to be here and listen, as
19 well as Administrator Bolden.

20 We are devastated in this region. We're
21 devastated that the Shuttle is going away. We knew
22 eventually that would happen. It can't fly forever. There

1 were some that were hoping that maybe, hoping against hope,
2 that it might fly a little longer.

3 And we're devastated about the loss of
4 Constellation, a major public investment, \$9 billion, a
5 vision that everyone had grabbed a hold of, and a lot of
6 very smart people and smart scientists had supported that,
7 and we've lost that. So I think we are grappling for
8 tangibles, tangible work product, tangible visions,
9 tangible programs.

10 That's the way we've grown up here on the Space
11 Coast. I grew up here. I remember watching Alan Shepard's
12 first launch. I remember watching Polaris launches, from
13 Gemini -- Mercury, Gemini, Apollo. And we always had that
14 tangible goal. We had that measurable objective. We had
15 that vision, and that's what we're looking at for our new
16 vision in space. A lot of the criticism, there is exciting
17 components to it, but the tangibles aren't there to give
18 people hope and a goal, and that paradigm has proven to
19 work. It's proven to work in the American space program.

20 I want to thank Congressman Kosmas for her work
21 with Congressman Posey, who have shown true bipartisanship
22 working together and addressed this crisis that we're

1 facing.

2 And, Congressman Grayson, you beautifully
3 communicated the vision and the infrastructure that we have
4 built here. We have built a wonderful infrastructure.
5 We're blessed with the geographic location and some
6 specific things related to Earth physics that makes this
7 the best place to launch in the world, but we've built this
8 huge infrastructure, and if we're going to build on that
9 and we're going to be efficient and competitive globally,
10 we need to continue forward.

11 As well, Congressman, you mentioned the biggest
12 capital is the human investment that we have made here, and
13 it's not just the human investment that we've made -- and
14 people have dedicated their lives toward the vision of
15 human space flight and that very special place that it has
16 in our destiny -- but also all those young, young Americans
17 that are in high school, college, that have that dream to
18 go to school and study physics and engineering, and they
19 want to be a part of this. And we're sort of sending a bad
20 message. We need to keep that dream alive, so our next
21 generation of rocket scientists can have the goal to go
22 forward and work hard.

1 So, in this program, our task in taking those
2 dollars, I think it's not just a matter of training workers
3 to be mechanics or air-conditioning maintenance workers or
4 whatever. That's not what we want. We don't want that.
5 You know, we want to be a part of that vision. We want to
6 be a part of human space flight and be a part of our
7 manifest destiny to go into the heavens.

8 And it's my hope that we can tie that with
9 tangible, tangible work product and vision, so we can move
10 forward, so our young engineers, our young scientists, our
11 young astronauts can keep this dream alive and keep us
12 number one in space.

13 I want to talk a little bit about what we have
14 done in the Florida legislature because the legislature
15 really did step up to the plate. I represent Kennedy Space
16 Center. Senator Haridopolos represents the Cape Canaveral
17 Air Force Station. We split that very special place, no
18 place on Earth like it, no place in the solar system like
19 it. That's where we go into space.

20 Under the leadership of President-designate
21 Haridopolos, we came to the table. We've invested now over
22 \$32 million in this year's budget, in a budget time, \$32

1 million in infrastructure and supporting Space Florida and
2 developing a mechanism by which we can work with the
3 Federal Government to leverage those dollars and to be
4 competitive and to keep our workforce in place and to keep
5 our human space flight vision intact.

6 I want to add that that's nothing new. We
7 invested in the new Shuttle landing facility hangar.
8 That's built. It's been used by NASA. \$30 million in the
9 Life Sciences Center that we built with State dollars
10 that's there, we hope that one day that will be full of
11 scientists where we're doing life science research for
12 long-term-duration human space flight. And, most recently,
13 the \$35 million for the renovation of the O&C Building
14 where the CEV would have, could have, may have, possibly
15 something close to the CEV will be -- there will be capsule
16 built that we hope assembled there, and we're very, very
17 proud and honored of the wonderful partnership that we have
18 with NASA here. And Robert Cabana, who has done a
19 phenomenal job, we're excited to work with. We have a
20 wonderful working relationship.

21 So the additional \$32 million, we want that to
22 leverage and to help you and to work toward making this go

1 as far as we can, and there is optimism and hope. This
2 dream that we have is just too powerful to let go away, and
3 I'm confident we can work together and keep the dream
4 alive.

5 [Applause.]

6 **MR. DiBELLO:** Thank you, Senator Altman.

7 I'm going to take one more question or comment
8 from the audience, then call a 10-minute break, so that
9 Secretary Locke and Administrator Bolden can take some
10 opportunity with the press.

11 Then we will reconvene, if everybody agrees, to
12 continue some dialogue back and forth with the remaining
13 panel.

14 Andrew?

15 I'm sorry. Andrew, hold one second. Let's take
16 this one over here. Yes, please. Go ahead.

17 **MR. HURST:** My name is Phillip Hurst, and I would
18 like to introduce a project that I am working on that I
19 think will -- to Representative Kosmas' reference to using
20 all the tools and that was echoed by a few other people,
21 this is an interesting tool that may not have been
22 considered. But I'm with a group that starts cable

1 channels, the most well known of which are probably the
2 Golf Channel here in Orlando and SciFi Channel.

3 Our current project is launching a network
4 dedicated to space and its predecessor, aviation, and we
5 think this is a huge opportunity for everybody here in the
6 room by not only getting out to a vast audience of up to 70
7 million potential homes, great stories about what is going
8 on in space and aviation, which particularly refers to
9 Central Florida, obviously, but we have the tangible
10 benefit of creating potentially several hundred jobs here
11 in Central Florida. Will they be engineering jobs? Maybe
12 some of them, but they will primarily be production,
13 creative sales marketing, that sort of thing, but,
14 obviously, I think the biggest benefit that we can offer is
15 to provide a platform for what everybody is doing here, the
16 importance of space, and we can really help engage people
17 in that. That's what we do.

18 We've had a lot of success in our past creations
19 of engaging youth, in getting them involved. We're all
20 about doing that.

21 So I just want to offer that to everybody. We
22 are actively seeking strategic partnerships, and,

1 hopefully, this is something that can benefit everyone
2 here. And that's where we are right now.

3 Thanks.

4 **MR. DiBELLO:** Thank you for your comment.

5 Andrew, go ahead, and then we'll take our -- and
6 make that a 5-minute break for everyone.

7 **MR. NELSON:** Thank you, Frank.

8 My name is Andrew Nelson. I'm the Chief
9 Operating Officer of XCOR Aerospace. We are one of those
10 small, innovative, manned, suborbital space flight
11 companies that are out there who want to do the future, to
12 be barnstormers of space. We want to push the envelope and
13 create jobs, engineering jobs, good-paying jobs, at places
14 like the Kennedy Space Center Shuttle landing facility.

15 I'm very pleased to see everyone up here, to see
16 Congressman Kosmas and Congressman Grayson supporting this
17 new vision of the future of the Kennedy Space Center.

18 What companies like ours need, I think was echoed
19 earlier, is that to have economic backing and to have
20 political backing for small, innovative companies like ours
21 is very important. So, to see some of the funds be put
22 into an experienced institutional investment, a fund of

1 some form that could be then channeled out to the
2 innovative companies that need investment capital, I think
3 would be a very good use of funds.

4 Companies like ours are wanting to create 50,
5 100, 200 jobs over the next 2 to 3 years, and it's that
6 diversification of the job base in the commercial realm
7 that will then still keep those space jobs active.

8 And I agree with State Senator Altman, who many,
9 many years ago, I think I held a sign for him when he was
10 County Commissioner Altman when I lived in Brevard County
11 back in 1985, that it is important to keep these space jobs
12 active.

13 And so that would be my 2 cents is to make sure
14 some of the money goes to some professional investors who
15 could pick the right folks to create jobs locally.

16 **MR. DiBELLO:** With that, may I suggest -- and we
17 will take a 10-minute break and then continue, so long as
18 the panel has the endurance to do so.

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