

Statement for the Record
of the
Hearing of the Senate Commerce, Science and Transportation
Subcommittee on Space, Aeronautics, and Related Sciences
On
“Preparing for the Workforce Transition at the
Kennedy Space Center”

Testimony by Space Florida President Steve Kohler

June 23, 2008

Introduction

Thank you Chairman Nelson and Senator Vitter:

I am Steve Kohler, President of Space Florida. Space Florida is a special district responsible for promoting and developing Florida's space and aerospace industry. More specifically we were created by the Florida legislature and the Governor's office for the purpose of advocating for the space industry in Florida.

I want to thank you for holding this hearing here at the Kennedy Space Center to address and bring attention to the issue of Shuttle workforce transition. As you all know, with the retirement of the Space Shuttle in 2010 approximately 6,400 jobs will be lost as a result.

I would also like to thank you for working to get an additional \$200 million in funding for NASA added to the Iraq Emergency Supplemental package. The added funding is critical for NASA's ability to return to flight activities associated with the Space Shuttle. This funding is also critical to help close the "gap" – the anticipated time between the Shuttle retirement and the launch of the new Constellation program. As you know, the longer the gap, the more stress is placed on the Florida space and aerospace

workforce. We need a strong retention program so that the skilled labor is in place when the new Constellation program is in full swing.

Securing this funding will be a very significant achievement in such a tight fiscal year. Space Florida is pleased to be able to work with you and your colleagues on such an important issue. We will continue to support your efforts for additional NASA funding to help shape the budget for the incoming administration.

Additionally, your work on the NASA Authorization Bill is to be commended. While we realize the Senate version has yet to be introduced, your committee's leadership on this issue has been significant. We believe the House of Representatives has done a very nice job in working on a NASA Authorization bill that includes additional funding for NASA as well as important range study and enhanced use lease language. I would also like to applaud the Space, Aeronautics Subcommittee for working in a bipartisan manner to provide NASA with the tools to move from the Shuttle program to the Constellation program.

However, I do think it is important to note that there are other options of returning to the moon, and in the future, Mars, namely Commercial Orbital Transportation Services (COTS) D. COTS D focuses on manned spaceflight and would work toward creating that capability in the commercial sector in addition to what NASA has undertaken with

the Constellation program. The job creation from a COTS D program would fit very well with the type of jobs that are currently held by NASA contract employees.

Actions by Space Florida

While the space industry in Florida is enduring a difficult period of time with the Shuttle transition it is important to note that Governor Crist and the Florida legislature have done a tremendous job of promoting the overall space industry in Florida. Florida is not sitting back during the Shuttle transition; we are working to support your leadership and are bringing the Florida delegation together in support of the space industry, which as you know is vital to the economy of Florida.

Space Florida is uniquely positioned to advocate for the space industry especially because of the tools the State of Florida has given us. Space Florida has the ability to work with the commercial space industry along with the Governor's office, the Florida legislature, the regional economic development groups, Congress, and many others. This flexibility gives us the capability to do tremendous things when working and advocating for the space industry in Florida.

Space Florida's workforce initiatives are focused on bringing new government and private sector opportunities to this area of the State. We have partnered with the

Florida legislature, Workforce Florida, the Brevard Workforce Development Board, the regional economic development groups, and many others to help to bridge the gap between Shuttle retirement and the advent of the Constellation program. We have taken the lead to collaborate with the Florida delegation in a national leadership role to secure funds that NASA has lost due to the Columbia accident and Katrina setbacks and to acquire future funding that is vital to the space program here in Florida.

Direct Action

The workforce, as it relates to the Shuttle, has over time developed a very unique skill set that we are working to keep entrenched here in Florida. While many of Space Florida's initiatives to improve the workforce are indirect in fashion (i.e. introduction of new businesses and business growth to stimulate job growth), Space Florida has worked with the Brevard Workforce Development Board on projects to address the shuttle retirement in a more direct fashion. For instance, Space Florida has awarded the Brevard Workforce Development Board with funding to assist in providing aerospace workforce services in Brevard County regarding the transition of the aerospace workforce from Shuttle program activities to the Constellation program. Importantly, Space Florida provided a \$50,000 grant to the Brevard Workforce Development Board to conduct an analysis of Space Shuttle retirement implications with respect to the aerospace industry workforce in Florida. This report was completed in August 2007 and provided a forward-looking analysis of the Brevard County and

statewide aerospace workforce that will be impacted by the planned retirement of the Space Shuttle in 2010.

Indirect Efforts

Additionally, we are engaged in projects related to improving future range development, enhanced use lease agreements with vertical and horizontal capabilities, prospective trade and enterprise zones, and particularly future commercial space development. For example, Space Florida has worked with companies, including SpaceHab and Space X on different projects to deliver valuable cargo to the International Space Station (ISS) in the future. Further, our most recent project with SpaceHab will establish a space-based, biotech corridor that stretches from the ISS to the Space Life Sciences Lab here at NASA's John F. Kennedy Space Center.

It is important to note that all of these investments being made by Space Florida for different projects, as well as research and development, will help to mitigate the effects of the Shuttle retirement. These research and development opportunities lead to job and new commercial partnerships at the Kennedy Space Center. For instance, our collaborative effort with the University of Florida on Blue Force Tracking Satellites will contribute most importantly to saving the lives of our troops in harm's way. As you all know, projects like this can lead to additional research, manufacturing, and thus new job opportunities in Florida.

While many jobs will be lost as a direct result of cutbacks to NASA with the shuttle retirement, I think it is important to keep in mind the many indirect jobs that will also be lost as a result. Many NASA employees will likely transfer to elsewhere in the country or at the very least move away from Florida to find opportunities in a similar field. When these direct jobs leave Florida, and particularly Cape Canaveral, businesses such as restaurants, hardware stores, and other “mom & pop” establishments will be forced to close. As you well know, this will lead to very difficult economic times in Florida, which could be especially difficult considering the current economic troubles our nation faces. However, you have a great opportunity to help turn things around.

Conclusion

In conclusion, we will continue to partner with the Air Force, NASA, our industry stakeholders and other States, when appropriate, to compete to attract business to Florida. We know we have the workforce, infrastructure, and overall mission capabilities that will best serve the national interest of space research and exploration.

We thank you again for coming and look forward to continuing to serve as a full-time resource to the committee and our Florida delegation whenever and wherever you need us. I look forward to answering any questions you may have of me today.