JOSH GREEN, M.D.

SYLVIA LUKELIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA





STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I DEPARTMENT OF LAND AND NATURAL RESOURCES KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621 HONOLULU, HAWAII 96809

Testimony of DAWN N. S. CHANG Chairperson

Before the House Committee on AGRICULTURE & FOOD SYSTEMS

Wednesday, February 01, 2023 09:45 a.m. State Capitol, Conference Room 323 & Videoconference

In consideration of HOUSE BILL 488 RELATING TO AQUACULTURE

House Bill 488 proposes to establish an aquacultural lease program within the Department of Agriculture for the purpose of promoting economic development. The Department of Land and Natural Resources (Department) offers the following comments:

The Department appreciates that SECTION 2, which would add a new section to Chapter 141, Hawaii Revised Statutes (HRS), entitled **Aquaculture area lease program**, states that Department may lease aquaculture areas provided that the lessee obtains all necessary federal, state, and county permits to establish and conduct the proposed aquaculture activities in the aquacultural area, including a conservation district use permit issued by the board of land and natural resources pursuant to section 183C-6 or 190D-11, as applicable, if the aquaculture area includes lands within the state land use conservation district or state marine waters (page 3, lines 1 to 8).

The Department has been supportive of permits for open ocean aquaculture facilities when the environmental reviews required under Chapter 183C or 190D, HRS, have shown that the project will have no significant impact, or if those impacts have been mitigated.

We are concerned with potential ambiguity in a proposed amendment found later in the proposed bill that would add language to Section 190D-2, HRS, stating *unless otherwise provided, the provisions of this chapter shall not apply to leases administered by the department of agriculture for the aquacultural lease area program pursuant to section 141-* (page 23 lines 9-12). The Department would appreciate clarification that lease areas under the program will continue to be subject to the permitting and environmental review requirements contained in Sections 183C-6, HRS, or 190D-11, HRS, when the leased area lies within the State Land Use Conservation District.

DAWN N.S. CHANG

CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

LAURA H.E. KAAKUA FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

The Department also finds that the bill is unclear as to the impact to the authority and oversight of the Board of Land and Natural Resources (Board) over leasing under Chapter 190D, HRS, or ocean dispositions under Chapter 171¹, HRS. In the event that the bill divests or circumvents the Board's authority and oversight over ocean leasing or disposition as aforesaid, then the Department would not be in support of this bill in order to ensure protection and conservation of Hawai'i's unique and limited marine resources held in public trust for current and future generations.

Mahalo for the opportunity to comment on this measure.

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For lands owned by the State through the Board of Land and Natural Resources (BLNR), Section 171-11, HRS, requires a government agency to obtain a Governor's executive order set-aside for the use of the land with BLNR approval. Additionally, Section 171-53, HRS, generally requires legislative and Governor's approval to lease submerged lands. While subsection 171-53(c), HRS, exempts leases issued under Chapter 190D, HRS, from the legislative approval requirement, the current bill provides that Chapter 190D, HRS, does not apply to leases issued under the bill. Accordingly, there is ambiguity in this bill as to whether DOA is required to obtain a Governor's executive order for a lease of submerged lands and whether the lease requires legislative approval.

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawai'i DEPARTMENT OF AGRICULTURE KA 'OIHANA MAHI'AI

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TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

FEBRUARY 1, 2023 9:45 AM CONFERENCE ROOM 325

HOUSE BILL NO. 488
RELATING TO AQUACULTURE

Chairperson Gates and Members of the Committee:

Thank you for the opportunity to testify on House Bill 488. The bill establishes, within the Department of Agriculture, an Aquacultural Area Lease Program for the purpose of identifying state facilities, state lands, and state marine waters that are suitable for use and lease as commercial aquacultural areas; allows agencies having control and management of identified aquacultural areas to lease the facilities, lands, and waters to the Department of Agriculture for the purposes of the Act; allows the program to use the moneys in the Aquaculture Development Special Fund to carry out the purposes of the Act and requires the revenues obtained from aquacultural area leases to be deposited into the Aquaculture Development Special Fund; imposes penalties and civil and criminal liabilities; and exempts the program from being subject to the Hawaii Ocean and Submerged Lands Leasing Act. The Department supports this bill.

The bill would promote the State's economic development by allowing the Department to have active oversight of aquaculture operations through the leasing function. Using a science-based approach, the Department would create a pro-



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development framework that minimizes negative effects on the environment through monitoring and reporting. Concurrently, the Department will amend relevant Hawaii Administrative Rules to provide uniform administrative procedures.

As such, the Department supports this measure, provided it does not impact the Department's priorities identified in the Executive Budget request. Thank you for the opportunity to testify on this measure.



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February 1, 2023

HEARING BEFORE THE HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

TESTIMONY ON HB 488 RELATING TO AQUACULTURE

Conference Room 325 & Videoconference 9:45 AM

Aloha Chair Gates, Vice-Chair Kahaloa, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai Farm Bureau supports HB 488, which establishes within the Department of Agriculture, an Aquacultural Area Lease Program for the purpose of identifying state facilities, state lands, and state marine waters that are suitable for use and lease as commercial aquacultural areas.

The Legislature acknowledged the importance of Hawai'i's aquaculture industry by revitalizing the Aquaculture Development Program (ADP) through Act 63, SLH 2019, and in SLH 2022 provided funding for 4 positions for ADP. Supporting local aquacultural production can help the State move toward greater food sustainability and economic diversification. There is significant growth potential for the aquaculture industry in Hawai'i.

Hawai's aquaculture industry continues to be one of the fastest-growing segments of Hawai'i agriculture and has become an important source of seafood and other products for local sale and export. The state currently imports about 63 percent of its seafood driven by high resident and tourist demand and limited local fishery landings. HFB believes that for our aquaculture sector to flourish and reach its full potential our farmers need access to land, marine waters, and state facilities with long-term leases at affordable and predictable lease rental rates.

We need to identify state facilities, state lands, and state marine waters that are suitable for use and lease as commercial aquacultural areas to increase the availability of aquacultural sites under the State's control to provide farmers with long-term leases that will enhance the economic viability of Hawai'i's aquacultural industry.

Thank you for the opportunity to testify on this important matter.



January 30, 2023

To: Chair Gates, Vice Chair Kahaloa, and the House Committee on Agriculture & Food Systems

Subject: **HB488**, Relating to Aquaculture

Aloha,

Food+ Policy **supports HB488** and offers a few suggested changes to safeguard and promote the restoration of loko i'a (traditional Hawaiian fishponds) and community control over fisheries through community-based subsistence fishing areas (CBSFAs).

Establishing an Aquacultural Area Lease Program can benefit in strengthening Hawai'i's food system. Along with this bill, initiatives such as those led by KUA that support fishponds and limu restoration efforts will help not only rebuild Hawai'i's food system but create large-scale positive change as well by bringing together communities, government agencies, schools, and businesses. This large-scale change will reinforce our food system with building resilient and sustainable food system practices through generational ancestral traditional knowledge, 'āina based stewardship, and spiritual identity.

We suggest that HB488 be amended to note that the lessees activities in the aquacultural area must not conflict with or adversely impact a Native Hawaiian fishpond or conflict with or negatively impact a community-based subsistence fishing area.

As we strive to rebuild and strengthen the food system(s) of Hawai'i, we believe that supporting HB488 and the amendments suggested above will help achieve our goal of a better future for our food system(s) and help Hawai'i continue to lead in achieving the UN SDGs.

Mahalo,
Kelsey Amos & the Food+ Policy Team
#fixourfoodsystem

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2023, the cohort of interns are undergraduate and graduate students from throughout the UH System. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.