NEIL ABERCROMBIE Governor



**RUSSELL S. KOKUBUN** Chairperson, Board of Agriculture

> **SCOTT E. ENRIGHT** Deputy to the Chairperson

State of Hawaii DEPARTMENT OF AGRICULTURE 1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

#### TESTIMONY OF RUSSELL S. KOKUBUN CHAIRPERSON, BOARD OF AGRICULTURE

#### BEFORE THE HOUSE COMMITTEES ON AGRICULTURE AND WATER & LAND

WEDNESDAY, FEBRUARY 13, 2013 9:00 A.M. ROOM 325

HOUSE BILLL NO 1471 RELATING TO AQUACULTURE

Chairpersons Wooley and Evans and Members of the Committees

Thank you for the opportunity to testify on House Bill No. 1471. The bill requires the Hawaii Department of Agriculture (DOA) to adopt rules for regulating land-based aquaculture farming on lands exceeding three acres in area and classified as agricultural. The deadline for rules adoption is December 31, 2014.

We support this bill with the following comments. The aquaculture industry in Hawaii would benefit from a standardized structure of government support and communication. As such, the DOA advocates the creation and implementation of an aquaculture license program which would identify aquaculture producers and products, similar to what is administered in the State of Florida. DOA would improve its ability to locate and communicate with commercial operations, more effectively provide support in animal disease and food safety traceability issues, and obtain accurate industry statistics at the farm level. Participating operations would benefit from a forum for development support and collaboration with HDOA, helping develop future benefits and programs. Additionally, this program would correspond with the Department of Land and Natural Resources aquaculture facility license which focuses on the environmental impact of the operation.



This bill differentiates between land-based and ocean-based aquaculture as well as placing a size stipulation of operations over three acres. If the outcome of this legislation is the creation of a licensing program, these stipulations should be removed to ensure complete industry coverage.

According to our Aquaculture and Livestock Support Services Program Manager, this bill as proposed can be administered without additional resources.

Thank you for the opportunity to testify on this measure.



2343 Rose Street • Honolulu, Hawaii 96819 Phone: (808) 848-2074 • Neighbor-Islands: (800) 482-1272 Fax: (808) 848-1921 • Email: info@hfbf.org www.hfbf.org

February 13, 2013

#### HEARING BEFORE THE HOUSE COMMITTEE ON AGRICULTURE HOUSE COMMITTEE ON WATER & LAND

TESTIMONY ON HB 1471 RELATING TO AQUACULTURE

> Room 325 9:00 AM

Chair Wooley, Chair Evans, Vice Chair Onishi, Vice Chair Lowen, and Members of the Committees:

I am Dean Okimoto, President of the Hawaii Farm Bureau Federation (HFBF). Organized since 1948, the HFBF is composed of 1,950 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

I am sending this testimony to express the **strong opposition of the Hawaii Farm Bureau Federation to HB 1471**, "Relating to Aquaculture." This bill appears to do nothing more than add another layer of regulation to an already highly regulated industry.

The preamble to HB 1471 notes that aquaculture is a growing industry in Hawaii, and mentions its importance in reducing U.S. imports of seafood products. It does not mention any justification for requiring the Department of Agriculture to regulate land-based aquaculture. Aquaculture and aquaponic farmers in Hawaii must already conform to a confusing web of Federal, State, and county regulations. There is no need to add another set of rules to the many that aquaculture must already deal with. Further, HB 1471 includes no additional staff or funding to allow an already overburdened DOA to create and administer the new regulations.

In summary, HB 1471 is wasteful legislation that would place a drag on a successful and growing part of Hawaii's diversified agriculture. In so doing, it would obstruct Hawaii's goal of greater food self-sufficiency. DOA's role should be to help Hawaii's farmers and ranchers cope with existing regulations, not to create additional burdens. We respectfully request that your Committees not pass HB 1471.

Thank you for the opportunity to testify.

From: Sent:	mailinglist@capitol.hawaii.gov Monday, February 11, 2013 9:36 AM
То:	AGRtestimony
Cc:	glenn@hawaiiantel.net
Subject:	Submitted testimony for HB1471 on Feb 13, 2013 09:00AM

#### <u>HB1471</u>

Submitted on: 2/11/2013 Testimony for AGR/WAL on Feb 13, 2013 09:00AM in Conference Room 325

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
"Glenn"	Individual	Comments Only	No

Comments: Request Board of Agriculture to post agendas and minutes on their website.

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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#### JALNA S. KEALA 5019 POOLA STREET HONOLULU, HAWAII 96821

#### TO: House Committees on Agriculture And Water and Land

#### RE: House Bill 1471 RELATING TO AQUACULTURE Wednesday, Feb. 13, 2013; 9:00am; Room 325

Aloha members of the joint committees hearing HB 1471 Re: to Aquaculture. I have just a few comments on this bill for the committees to consider.

Hawaiian fishponds, also called Kanaka Maoli fishponds but more correctly, lokoi`a, are almost all larger than three acres, and if walled enclosures, are taxed at the rates of the land to which they are attached.

Also, original lokoi`a are subject to protection through Section 106 of the Federal Historic Preservation Act despite the trend in recent years to transform food producing loko i`a into wetlands and bird sanctuaries.

Ancient Hawaiians pioneered fish farming like no other native people employing generations of scientific observation and implementation into a safe and effective method of food production. One lokoi`a has the ability to produce hundreds of pounds, if not tons of fish annually, depending upon its size. It's extremely unfortunate that today in Hawaii we are allowing and encouraging lokoi`a to become marshy wetlands for bird sanctuaries.

Thank you for the opportunity to make my comments for your consideration. Contact: jalna.keala2@hawaiiantel.net

From:	mailinglist@capitol.hawaii.gov
Sent:	Tuesday, February 12, 2013 8:23 AM
To:	AGRtestimony
Cc:	jscorbin@aol.com
Subject:	Submitted testimony for HB1471 on Feb 13, 2013 09:00AM

#### <u>HB1471</u>

Submitted on: 2/12/2013 Testimony for AGR/WAL on Feb 13, 2013 09:00AM in Conference Room 325

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
John Corbin	Individual	Oppose	No

Comments: HB 1471 lacks detail and clarity. It recognizes that aquaculture production will increase and be an important source of our future seafood. Then the bill proposes to regulate one segment of the industry on one segment of the State Land Use classification system, the Agricultureal District. I believe aquaculture is a "Permited Use" in most of these classes, and is highly regualted already. In general, farmers are good stewards and need your support and not additonal regulation. I respectfully suggest this vague bill be held. Aloha, John Corbin

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Day<sup>2</sup> Resources LLC, 746 Hele Mauna Street, Hilo, Hawaii 96720, USA Telephone 808-961-0319 Email Sturgeon@hawaii.rr.com

12 February 2013

To: Committee on Agriculture Rep. Jessica Wooley, Chair Rep. Richard H.K. Onishi, Vice Chair

> Committee on Water & Land Rep. Cindy Evans, Chair Rep Nicole E. Lowen, Vice Chair

Re: Testimony Opposing HB 1471, HD2 relating to Aquaculture

Hearing TimeWednesday, February 13, 2013, 9:00 AMAnd Place:Conference Room 325, State Capitol

Thank you for this opportunity to testify on the above-referenced legislation. I am writing this testimony as an owner of a private ornamental fish farm located in the Puna District of the Big Island.

When I started to read Section 1 of HB 1471, I was please to see an acknowledgement of the role of aquaculture as "an alternative means to meet the demand for fish products". But I was then completely astounded to read that this Bill does not support aquaculture, instead it adds another level of bureaucracy to an industry that is already regulated almost to death. We are covered by up to twenty five (25) Federal, State and County land use and environment and aquaculture operation permits and regulations (see attached report).

HB 1471 requires the Department of Agriculture to regulate land-based aquaculture. But no evidence is given that the existing 25 permits and regulations are inadequate. In fact, no statement or evidence is given that land-based aquaculture causes any problems.

Requiring the Department of Agriculture to regulate land-based aquaculture, particularly on private lands, makes absolutely no sense. No other farming operation is subject to this level of government oversight. Why is this attack on aquaculture being made? Further, the Department of Agriculture's expertise to regulate aquaculture is now non-existent as its Aquaculture Development Program was gutted and all of the aquaculture biologists lost their jobs.

Innovative aquaculture and agriculture systems and products

The impacts of this legislation are already having an impact on the viability of land-based aquaculture. Uncertainty kills investment. I know proponents of 4 new commercial aquaculture farms that have just put their plans on hold until they see what happens with this Bill. Further, I have put the planned expansion of my own farm on hold because I do not know what this ill-conceived Bill means to me.

I strongly urge you to kill HB 1471.

Sincerely,

ute

**Kevin Hopkins** 

## PERMITS AND REGULATIONS FOR AQUACULTURE IN HAWAII, A BRIEF GUIDE

by John H. Bay, Esq.

of

MBA International 1188 Bishop St. Suite 3411 Honolulu, Hawaii 96813

for the

Aquaculture Development Program 335 Merchant Street Suite 348 Honolulu, Hawaii 96813

January 1994

## PERMITS AND REGULATIONS FOR AQUACULTURE IN HAWAII

#### INTRODUCTION

Every aquaculture operation in Hawaii is subject to various Federal, State and County permits and regulatory requirements. These requirements relate to siting, use of resources, effect on the environment, sanitation and other matters. Which of the numerous requirements will apply to a given operation depend on the nature and scope of the operation and its location. This brochure gives a brief overview of the possible permit, regulatory, and, general business requirements an aquaculture operation might face. It also provides a list of agency addresses. No single operation is likely to require every permit listed.

The State of Hawaii encourages aquaculture development and has several programs to assist existing and potential farmers. Anyone interested in aquaculture development should contact the Aquaculture Development Program in the Department of Land and Natural Resources (ADP). Early consultation with their staff may help a farmer avoid many regulatory obstacles and save considerable time and money. For more detailed information, potential fanners should read an ADP publication, *Permits and Regulatory Requirements for Aquaculture in Hawai'i* (January, 1993).

#### PERMITS AND REQUIREMENTS

The permits and regulatory requirements have been broken up into five areas; environmental impact statements; requirements relating to siting or location; requirements relating to the use of water and disposal of wastewater; requirements relating to raising seafood for human consumption; and general requirements for anyone doing business in Hawai'i. In each area, there may be regulation by the Federal, State, or County governments. Permits, regulations and jurisdictions may also overlap. Although a

The preparation of this report was financed in part by the Coastal Zone Management Act of 1972, as amended, administered by the Office of Ocean and Coastal Resource Management, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, through the Office of State Planning, State of Hawaii. Prepared for the Aquaculture Development Program, Department of Land and Natural Resources by MBA International, John H. Bay, Esq., Principal Author. permit or regulatory scheme will only be described once, it may be noted in more than one category.

#### I. ENVIRONMENTAL IMPACT STATEMENTS

Any project which may significantly effect the environment, may require the preparation of an Environmental Assessment (EA) or an Environmental Impact Statement (EIS). The purpose of the environmental review process is to be certain that government decision makers are informed as to the environmental effects of their activities and decisions and that alternatives are considered. In general .the environmental review requirements are similar at the Federal and State/County levels. When projects require an EIS from both levels of government, the review will be coordinated and only one document will be required. For nonexempt activities, an EA is done first. If the EA shows no significant impact then the process ends with a Negative Declaration. If the EA show a significant impact then a full

blown EIS must be prepared. The EIS is theoretically prepared by the agency to whom the applicant has applied, however, in practice EIS preparation is the responsibility of the applicant. No final agency action will be taken until the environmental review process is complete.

1. Federal EIS - The Federal environmental review process is triggered by any project which may potentially have a significant impact on the human environment, and which uses Federal funds or lands, requires a Federal permit, or in which a Federal agency participates.

2. State/County EIS - Unless an activity is exempt or is administratively determined to have insignificant environmental impacts, the State/County environmental review process is triggered by activities proposed by State or County agencies and private activities requiring State or County permits which fall within the following categories: 1) Actions proposing the use of state or county lands or funds; 2) Actions proposing any use within the Conservation District; 3) Actions proposing any use within the shoreline area (the land area between the shoreline and the shoreline setback line); 4) Actions proposing any use within any historic or archaeological site as designated in either the Hawaii *Register of Historic Places* or the *National Register of Historic Places;* and 5) Certain actions proposing amendments to a county general plan. State/County environmental review is coordinated by the Hawaii Environmental Quality Commission.

#### II. LOCATION OF THE PROJECT

Generally, the closer an operation is to the shoreline, streams, lakes wetlands or other environmentally sensitive areas, the greater in number and severity the permit and regulatory requirements.

#### A. SEAWARD OF THE

#### SHORELINE 1. FEDERAL PERMITS

Department of Army (DA) Permit - A permit may be required for the construction of wharves, jetties, piers, breakwaters, intake and outfall structures, within navigable waters. A permit may also be required for any dredging or filling in any waters of the United States. Wetlands, lakes and streams are considered waters of the United States. OA Permits may be subject to review by other Federal agencies such as the U.S. Dept. of Fish and Wildlife and National Marine Fisheries Service, depending upon the potential environmental impacts of the project. *(US. Army Corps of Engineers)* 

Section 106 Historic Review - If the project will involve sites listed or eligible for listing in the *National Register of Historic Places* and involves Federal permits, funds or direct Federal participation, its impact on the historic site must be reviewed by the Advisory Council on Historic Preservation, in conjunction with the State Historic Preservation Office. *(Federal permitting agency coordinates.) Environmental Impact Statement - (See I.I)* 

#### STATE PERMITS

Conservation District Use Permit - The State of Hawaii is divided into four types of land use classifications: Urban, Rural, Agriculture, and Conservation. Any person proposing to make use of lands within the Conservation District must obtain a use permit. The Conservation District includes large areas of shoreline lands, and most submerged offshore lands and outlying small islands. Most traditional Hawaiian fishponds are in the Conservation District. The Conservation district is broken down into four subzones, Protective, Limited, Resource, and General. Aquaculture is a permitted use within the Resource and General subzones. There are special permit restrictions on repairs, reinforcement, and maintenance activities on all traditional Hawaiian fishponds. (Office of Conservation and Environmental Affairs, Dept. of Land and Natural *Resources(DLNR)*)

Permit for Work in Ocean Waters -- A permit is required for projects involving permanent or temporary construction, dredging and filling in the ocean waters or navigable streams of Hawaii. If a Conservation District Use permit is also required the two permits will be processed together in most instances. (DLNR)

State Historic Review - If a project will affect any historic property in the state, a review of the project and the means of recording, protecting or mitigating the harm to the historic and cultural value of the property must be undertaken by the State Historic Preservation Office. Traditional Hawaiian fishponds and other sites may trigger this requirement. *(Historic Preservation Division, DLNR)* 

Coastal Zone Management Consistency Review -For any project which receives Federal funds, requires a Federal permit (e.g., a DA permit) or involves a Federal agency the Coastal Zone Management Office must review the project and certify that it is consistent with the State's coastal zone management policies. Virtually the entire state is within the coastal zone. (Coastal Zone Management Office, Office of State Planning) Environmental Impact Statement — (See 1.2)

National Pollutant Discharge Elimination System (NPDES) and Zone of Mixing permits as well as a Clean Water Certification would all likely be required for projects seaward of the shoreline. These permits are discussed in the Water Supply and Effluent Discharge section below.

- B. LOCATIONS ON OR NEAR THE SHORELINE
- 1. FEDERAL PERMITS

DA Permit — If the project involves the discharge of fill into the adjacent waters, a DA permit will be required. *(See II'A.I)* Section 106 Historic Site Review — (See IIA.1) Environmental Impact Statement -- (See I.I)

#### 2. STATE PERMITS

Conservation District Use Permit -- (See IIA.2) Historic Site Review - (See IIA.2) Coastal Zone Consistency Review — (See IIA.2)

#### Environmental Impact Statement -- (See 1.2)

NPDES and Zone of Mixing permits as well as a Clean Water Certification would all likely be required for projects in the near shore area. An Underground Injection Control permit could also be required. These permits are discussed in the Water Supply and Effluent Discharge section below.

#### COUNTY PERMITS

Special Management Area (SMA) Permit - A permit is required for any "development" as defined by statute within the SMA designated by the County. The SMA includes at least the first 100 yards inland from the shoreline and can include any additional shoreline or coastal related waters designated by the County. Aquaculture projects that have no significant environmental impact may be exempt from the need for a permit. SMA land uses must be consistent with county land use ordinances and plans, state coastal zone policies and environmental impacts must be minimized. (County Planning Departments or Dept. of Land Utilization, City and County of Honolulu)

Shoreline Setback Variance - Anyone proposing to construct a structure (broadly defined) or to remove materials (e.g., sand or rubble) within twenty to forty feet of the shoreline (County of Maui setback is calculated on a somewhat different basis) must obtain Shoreline Setback Variance (SSV). The intent of the regulations is to protect the shoreline and beaches and variances will only be granted consistent with such intent. In some circumstances structures necessary for, and ancillary to, aquaculture operations may be exempt. (County Planning Departments or Dept. of Land Utilization, City and County of Honolulu) Environmental Impact Statement -- (See 1.3)

Grading, Grubbing and Stockpiling Permit - A permit is required for all grading, grubbing, stockpiling, or clearing activities, with certain exclusions. (County Public Works Departments)

#### C. INLAND LOCATIONS

#### 1. FEDERAL PERMITS

DA Permit -- If the project involves the dredging, filling or discharge of fill into wetland or surface waters, a DA permit will be required. (See IIA.1) Section 106 Historic Site Review -- (See IIA.1) Environmental Impact Statement - (See LI)

#### 2. STATE PERMITS

Conservation District Use Permit -- (See IIA.2) Historic Site Review •- (See IIA.2)

An NPDES permit and possibly a Clean Water Certification would be required for projects which discharge effluent into surface waters. An Underground Injection Control (UIC) permit could also be required. These permits are discussed in the Water Supply and Effluent Discharge section below.

#### 3. COUNTY PERMITS

*Grading, Grubbing and Stockpiling Permit -- (SeeII.B.3)* 

III. WATER SUPPLY AND EFFLUENT DISCHARGE

#### **1. FEDERAL PERMITS**

The NPDES, Water Quality Certification and UIC programs are mandated by the Federal Clean Water Act and other legislation. However, in Hawaii, they are administered by the State government.

#### 2. STATE PERMITS

Water Use Permit — A water use permit is required in areas of the State designated as Water Management Areas by the Commission on Water Resources Management. Currently, the Commission has designated Honolulu, Pearl Harbor, Wailua, Windward Oahu and the island of Molokai as Water Management Areas as to groundwater. Any use of groundwater in these areas requires a permit. (Commission on Water Resource Management)

Well Construction and Pump installation Permits – Any well construction and pump installation, anywhere in the State, requires a permit. (*Commission on Water Resource Management*)

National Pollutant Discharge Elimination System Permit (NPDES) -- An NPDES permit is generally required before any effluent discharge can be made from aquaculture facilities into fresh or marine waters. Effluent is required to meet state and Federal water quality standards and not degrade the quality of the receiving waters. In some circumstances a Zone of Mixing is allowed in which the receiving waters dilute the effluent to acceptable levels. An exemption may be granted, on a case-by-case basis, for facilities producing less than 100,000 pounds of aquatic animals per year or discharging effluent less than 30 days per year. (Department of Health (DOH), Clean Water Branch)

Water Quality Certification - For projects using Federal funds, requiring Federal permits, or involving Federal agency participation, (e.g., DA permit) the Federal agency is required to obtain a certification from the State that the effluent discharge from the project will comply with State and Federal water quality standards. *(DOH, Clean Water Branch)* 

Underground Injection Control Permit – If effluent is discharged by means of an underground injection well, a UIC permit will be required. UI wells are generally acceptable *makai* of a line designated by the DOH. In certain circumstances, aquaculture effluent may also be injected *mauka* of the line. (DOH, Wastewater Branch)

- IV. AQUACULTURE OPERATION REGULATIONS
- 1. FEDERAL REGULATIONS

Food Drug and Cosmetic Act - Addition of any poisonous or deleterious substance to food products is prohibited, unless permitted by the U.S. Food and Drug Administration (FDA). The FDA jurisdiction covers virtually all commercial aquaculture programs and regulations address food additives, pesticide use and animal drugs used directly on the animals or in animal feed. *(U.S. FDA)* 

#### 2. STATE REGULATIONS

Aquatic Food Sale Regulations -- It is unlawful to sell any aquatic food from any water which DOH finds may be polluted and the aquatic food rendered unwholesome. *(DOH, Food and Drug Branch)* 

Shellfish Sanitation Permit - All operations growing, shucking, packing or shipping fresh or fresh-frozen oysters, clams, and mussels must obtain a permit from DOH. (DOH, Food and Drug Branch)

Sanitation Permit -- A sanitation permit is needed for any facility which stores, processes, or markets fish products. An operation only engaged in growing, harvesting and wholesaling, may not be subject to the permit requirements. *(DOH, Sanitation Branch)* 

Importation of Non-Domestic Animals - A Permit to Import Restricted Commodities is required to import animals and microorganism cultures into Hawaii. The Department of Agriculture, Plant Quarantine Branch maintains lists of Conditionally Approved, Restricted, and Prohibited species. (Dept. of Agriculture, Plant Quarantine

(Dept. of Agriculture, Plant Quarantine Branch)

#### V. GENERAL BUSINESS REQUIREMENTS

#### 1. FEDERAL REQUIREMENTS

Social Security and Income Tax -- Employers must collect and withhold Social Security and Income taxes. Employers must also pay Social Security on employees wages. *(U.S. Internal Revenue Service)* 

Federal Unemployment Tax « Employer must pay federal unemployment tax on employees earning more than \$1,500 in calendar year.

Other Requirements - Employer must comply with employee health and safety regulations, wage-hour and child labor laws, ERISA and the Americans with Disabilities Act.

Federal Income Tax - Aquaculture is considered as agriculture or fanning for many income tax purposes and may be given special tax treatment

#### STATE REQUIREMENTS

State Income Tax - Employers must pay State income tax and withhold State income tax from their employees. *(Dept. of Taxation)* 

General Excise Tax - Virtually anyone doing business in Hawaii must obtain a General Excise Tax License and pay a General Excise Tax of 4% of gross revenue. *(Dept. of Taxation)* 

Business Registration - Businesses other than sole proprietorships must register with the Dept. of Commerce and Consumer Affairs. (Dept. of Commerce and Consumer Affairs)

Unemployment Insurance - Employers must pay a state unemployment insurance tax. (Dept. of Labor and Industrial Relations, Unemployment Insurance Div.)

Worker's Compensation Insurance - Employers are required to carry Worker's Compensation Insurance to cover work-related injury or illness. Employers must bear the entire cost. (DLIR, Disability Compensation Div.)

Temporary Disability Insurance - Employers must provide Temporary Disability Insurance or approved sick leave benefits to eligible workers for non work-related disability or injury. Generally, workers are eligible after 14 weeks of at least 20 hours per week. *(DLIR, Disability Compensation Div.)* 

Prepaid Health Care Insurance -Employers must provide medical and hospital care for non work-related illness or injury for eligible workers by purchasing an approved health care plan. Generally, employees must work more than 20 hours per week to be eligible. (DLIR, Disability Compensation Div.) 3.

#### COUNTY REQUIREMENTS

Property Tax - Land and improvements are subject to property tax. No property tax is assessed on business inventory or other personal property. Property Tax is levied and collected by the counties.

#### VI. PERMIT AND REGULATIONS LIST

## A. LAND USE AND ENVIRONMENTAL REGULATIONS AND

#### 1. Federal Permits and Regulations

- Environmental Impact Statement
- U.S. Department of Army Permit
- Section 106 Historic Review .

#### 2. State Permits and Regulations

- Environmental Impact Statement
- Conservation District Use Application
- Permit for Work in Ocean Waters
- Historic Site Review
- National Pollutant Discharge Elimination System Permit
- Zone of Mixing Approval
- Water Quality Certification
- Coastal Zone Management Federal Consistency Review
- Underground Injection Control
- Water Use Permit
- Well Construction and Pump Installation Permit

#### 3. County Permits and Regulations

- Environmental Impact Statement
- Special Management Area Use Permit
- Shoreline Setback Variance
- Grading, Grubbing and Stockpiling Permit
- Building Permits

#### B. REGULATION OF AQUACULTURE OPERATIONS

#### 1. Federal Permits and Regulations

- U.S. Food Drug and Cosmetic Act
- 2. State Permits and Regulations
  - Aquatic Food Sale Regulations
  - Shellfish Sanitation Regulations
  - Sanitation Permit
  - Importation of Non-Domestic Animals

#### C. GENERAL BUSINESS REQUIREMENTS

#### 1. Federal Requirements

- Social Security and Income Tax
- Federal Unemployment Tax

#### 2. State Requirements

- State Income Tax Withholding
- General Excise Tax
- Business Registration
- Unemployment Insurance
- Worker's Compensation Insurance
- Temporary Disability Insurance
- Prepaid Health Care Insurance

#### 3. County Requirements

Property Tax

#### PERMITS

Office of Environmental Quality Control U.S. Army Corp of Engineers Advisory Council on Historic Preservation

Office of Environmental Quality Control DLNR, Office of Conservation and Environmental Affairs DLNR, Ocean Recreation Division DLNR, Historic Preservation Division

DOH, Clean Water Branch DOH, Clean Water Branch DOH, Clean Water Branch

Coastal Zone Management Office Dept. of Health DLNR, Comm. on Water Resource Management DLNR, Comm. on Water Resource Management

Office of Environmental Quality Compliance County Planning Departments County Planning Departments County Public Works Departments

County Public Works or Building Depts.

U.S. Food and Drug Administration

DOH, Food and Drug Branch DOH, Food and Drug Branch DOH, Sanitation Branch Dept. of Ag., Plant Quarantine Branch

Internal Revenue Service Internal Revenue Service

Dept. of Taxation

Dept of Taxation

- Dept. of Commerce and Consumer Affairs
- DLIR, Unemployment Insurance Division
- DLIR, Disability Compensation Division
- DLIR, Disability Compensation Division
- DLIR, Disability Compensation Division

County Tax Collectors

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, February 11, 2013 5:40 PM
To:	AGRtestimony
Cc:	hawaiifish@gmail.com
Subject:	Submitted testimony for HB1471 on Feb 13, 2013 09:00AM

#### <u>HB1471</u>

Submitted on: 2/11/2013 Testimony for AGR/WAL on Feb 13, 2013 09:00AM in Conference Room 325

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Ron Weidenbach	Hawaii Aquaculture & Aquaponics Association	Oppose	No

Comments: The HAAA strongly opposes this measure. Aquaculture is already the most heavily regulated agricultural activity in the State, and the DOA aquaculture program has been decimated by budget cuts. What is the justification for adding still another layer of regulatory bureaucracy over the Hawaii aquaculture industry, to be administrated by a Department without the staffing means to implement such regulation. How does this support increasing local food security? The HAAA strongly opposes this measure.

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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### Island Resources Ltd.

"Resource management with imagination" Water Land Energy e-mail iresources@interpac.net

Stephen P. Bowles President Cell (808)937-2826 Telephone Office (808) 885-5941 Home (808) 885-4759 Fax (808) 885-7851

February 9, 2013

TO: Representative Cindy Evans via email House of Representatives

RE: HB 1471, Relating to Land-Based Aquaculture

I strongly support HB1471 as amended below. I request that you also change the Report Title and Description of this bill as follows below.

Report Title: DOA; Land-Based Aquaculture; Standards

**Description:** Requires DOA to adopt standards and criteria to facilitate the development of landbased aquaculture farming on lands exceeding three acres in area and classified as agricultural. Effective 07/01/2013.

The intent of this bill is to set standards which allow small land-based aquaculture farming to proceed to commercialization without burdensome and duplicative regulation. The criteria added below provides guidance to exempt specified land-based aquaculture farm operations from county grubbing and grading and building codes.

# A BILL FOR AN ACT

RELATING TO AQUACULTURE.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that most of the

fish consumed in the United States is imported. Of all products imported in the country, the value of imported seafood is second only to petroleum. As supplies of fish stock continue to be depleted, aquaculture represents an alternative means to meet the demand for fish products.

Post Office Box 1656 Kamuela, Hawaii 96743

Island Resources Ltd. "Resource management with imagination" Water Land Energy e-mail <u>iresources@interpac.net</u>

Stephen P. Bowles President Cell (808)937-2826 Telephone Office (808) 885-5941 Home (808) 885-4759 Fax (808) 885-7851

The legislature further finds that land-based aquaculture farming, as distinguished from ocean-based aquaculture farming, is a growing industry in Hawaii. Land-based aquaculture includes aquacultural activities in controlled environments such as <u>lined and unlined</u> ponds, kalo lo'i, pre-engineered tanks, and aquaponics structures.

The purpose of this Act is to require the department of agriculture to [regulate] <u>facilitate</u> land-based aquaculture farming on lands exceeding three acres in area and classified as agricultural.

SECTION 2. Chapter 141, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"<u>§141-</u> <u>Aquaculture farming.</u> (a) Notwithstanding chapter 180 or any other law to the contrary, the department of agriculture shall regulate land-based aquaculture farming on land that:

- (1) Exceeds three acres in area; and
- (2) Is placed within an agricultural district pursuant to section 205-2.

Post Office Box 1656 Kamuela, Hawaii 96743

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(b) [Before December 31, 2014, the department of

Island Resources Ltd.

agriculture shall adopt rules pursuant to chapter 91 to

implement this section.] For the purposes of this section:

"Land-based aquaculture" means all aquaculture

activities, as defined in section 219-2, when carried out

on land by a qualified aquaculturist. The term shall not

include ocean-based aquaculture.

"Qualified aquaculturist" shall have the same meaning as defined in section 219-2."

- (c) Land-based aquaculture activities subject to this section are exempt from dam safety requirements, application to the counties for grubbing, grading or building permits, provided that:
  - (1) Water depth for lined and unlined ponds shall not exceed three feet; earth berms no higher than six feet, nor contain more than three/acre feet of water;
  - (2) water depth for pre-engineered tanks shall not exceed five feet; and
  - (3) all structures shall be 100 feet from property boundaries.

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(d) Upon completion of construction conducted by a

Island Resources Ltd.

qualified aquaculturist pursuant to this section, final

plans shall be submitted to the Department of Agriculture

and County Department of Public Works for review and

inspection.

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2013.

It is important that these revisions be incorporated in the bill if we are to assist land-based aquaculture farmers to become successful throughout our state.

Aloha,

alood , Pall

From: Sent:	mailinglist@capitol.hawaii.gov Monday, February 11, 2013 10:33 AM
То:	AGRtestimony
Cc:	tabraham08@gmail.com
Subject:	*Submitted testimony for HB1471 on Feb 13, 2013 09:00AM*

#### <u>HB1471</u>

Submitted on: 2/11/2013 Testimony for AGR/WAL on Feb 13, 2013 09:00AM in Conference Room 325

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Troy Abraham	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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