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# A BILL FOR AN ACT

RELATING TO AQUACULTURE.

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

1       SECTION 1. The legislature finds that diversification of  
2 the State's economy is necessary to lessen economic dependence  
3 on tourism and respond to the economic downturn exacerbated by  
4 the coronavirus disease 2019 pandemic. Supporting local  
5 aquacultural production can help the State move toward greater  
6 food sustainability and expand a home-based workforce. The  
7 legislature further finds that seafood demand outpaces supply,  
8 and world fishery resources are quickly depleting. There is  
9 significant growth potential for the aquaculture industry in the  
10 State and for aspiring entrepreneurs looking to establish  
11 themselves in this global emerging industry.

12       Accordingly, the purpose of this Act is to:

- 13       (1) Establish provisions relating to the department of  
14       agriculture's governing of the business of  
15       aquaculture;



- 1           (2) Grant exclusive property rights to persons who  
2           lawfully obtain the cultured progeny of wild plants  
3           and animals by brood stock acquisition;  
4           (3) Authorize the department of agriculture to regulate  
5           the transportation, purchase, possession, and sale of  
6           specific aquaculture products as may be necessary to  
7           protect indigenous species; and  
8           (4) Require the department of agriculture to prepare  
9           programmatic environmental impact reports.

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

13                               **"PART       .   AQUACULTURE"**

14          **§141-A Definitions.** As used in this part:

15          "Aquaculture" means any form of agriculture devoted to the  
16 propagation, cultivation, maintenance, and harvesting of aquatic  
17 plants and animals in marine, brackish, and fresh water. The  
18 term "aquaculture" does not include species of ornamental marine  
19 or freshwater plants and animals that are not utilized for human  
20 consumption or bait purposes and that are maintained in closed  
21 systems for personal, pet industry, or hobby purposes.



1 "Chairperson" means the chairperson of the board of  
2 agriculture.

3 "Department" means the department of agriculture.

4 "Indigenous species" means any aquatic life, wildlife, or  
5 land plant species growing or living naturally in Hawaii without  
6 having been brought to Hawaii by humans.

7 "Person" means any natural person or any partnership,  
8 corporation, limited liability company, trust, or other type of  
9 association.

10 **§141-B Aquaculture program.** (a) There is established  
11 within the department an aquaculture program that shall:

- 12 (1) Monitor actions taken by industry and by federal,  
13 state, county, and private agencies in activities  
14 relating to aquaculture, and promote and support  
15 worthwhile aquaculture activities;
- 16 (2) Serve as an information clearinghouse for aquaculture  
17 activities;
- 18 (3) Coordinate development projects to investigate and  
19 solve biological and technical problems involved in  
20 raising selected species with commercial potential;



1 (4) Actively seek federal funding for aquaculture  
2 activities;

3 (5) Undertake activities required to develop and expand  
4 the aquaculture industry; and

5 (6) Perform other functions and activities that may be  
6 assigned by law.

7 (b) The chairperson may employ temporary staff exempt from  
8 chapter 76 for the aquaculture program.

9 **§141-C Fees for aquaculture services.** The department of  
10 agriculture may establish and assess fees pursuant to chapter 91  
11 for:

12 (1) Aquatic animal and plant health diagnostic services;  
13 and

14 (2) Any items or expert services purchased from the  
15 department related to aquaculture planning,  
16 aquaculture disease management, and the marketing of  
17 seafood products;

18 provided that the assessment of these fees does not violate any  
19 provisions of this chapter.



1       **§141-D Aquaculture development special fund.** (a) There  
2 is established in the state treasury the aquaculture development  
3 special fund into which shall be deposited:

4       (1) Appropriations from the legislature;

5       (2) Moneys collected as fees for special microbiological  
6 and histological procedures and expert aquaculture-  
7 related services;

8       (3) Moneys collected from the sale of any item related to  
9 aquaculture development that is purchased from the  
10 department;

11       (4) Moneys directed to the aquaculture program from any  
12 other sources, including but not limited to grants,  
13 gifts, and awards; and

14       (5) Moneys derived from interest, dividend, or other  
15 income from the above sources.

16       (b) Moneys in the aquaculture development special fund  
17 shall be used to:

18       (1) Implement the aquatic disease management programs and  
19 activities of the department, including the provision  
20 of state funds to match federal grants; and



(2) Support research and development programs and activities relating to the expansion of the state aquaculture industry. Research and development programs and activities funded under this paragraph may be conducted by department personnel or through contracts with the University of Hawaii or other qualified persons.

**§141-E Powers, duties, and activities of the department.**

(a) The business of aquaculture shall be governed by this part and shall be exempt from any other provisions relating to the harvesting, processing, and marketing of cultured aquatic life.

(b) Except as provided in this part, the business of aquaculture processing, distribution, and marketing shall be administered by the chairperson.

(c) The chairperson may enter into an agreement with the chairperson of the board of land and natural resources for the resolution of any conflict regarding jurisdiction that arises under this part.

(d) Any costs incurred by the department in implementing this part shall be recovered pursuant to this part.



1       **§141-F Brood stock acquisition; exclusive property rights.**

2   The cultured progeny of wild plants and animals lawfully  
3   obtained by brood stock acquisition are the exclusive property  
4   of the person who cultured them or that person's successor in  
5   interest.

6       **§141-G Protection of indigenous species.** (a) When  
7   necessary for the protection of indigenous species, the  
8   department may regulate the transportation, purchase,  
9   possession, and sale of specific aquaculture products as  
10   provided for in this section.

11       (b) The department may determine that aquaculture products  
12   shall be accompanied by a document containing any of the  
13   following information:

- 14       (1) The name, address, and registration number of the  
15       aquaculture producer;  
16       (2) The species;  
17       (3) The weight, volume, or count within the container;  
18       (4) The date of the shipment; and  
19       (5) The name and address of the intended receiver.



1 (c) The department may require that certain aquaculture  
2 products be additionally identified as having been produced by  
3 aquaculture.

4 **§141-H Programmatic environmental impact reports.** (a)  
5 The department shall prepare programmatic environmental impact  
6 reports for existing and potential commercial aquaculture  
7 operations in both coastal and inland areas of the State if both  
8 of the following conditions are met:

9 (1) Funds are appropriated to the department for this  
10 purpose; and

11 (2) Matching funds are provided by the aquaculture  
12 industry.

13 (b) For purposes of this section, "matching funds"  
14 includes but is not limited to any funds expended by the  
15 aquaculture industry before January 1, 2022, for the preparation  
16 of a programmatic environmental impact report.

17 **§141-I Rulemaking authority.** The department shall adopt  
18 rules pursuant to chapter 91 to effectuate the purpose of this  
19 part."

20 SECTION 3. Section 26-16, Hawaii Revised Statutes, is  
21 amended by amending subsection (c) to read as follows:





1       "(c) The department shall:

2       (1) Promote the conservation, development, and utilization  
3           of agricultural resources in the State;

4       (2) Assist the farmers of the State and any others engaged  
5           in agriculture by research projects, dissemination of  
6           information, crop and livestock reporting service,  
7           market news service, and any other means of improving  
8           the well-being of those engaged in agriculture and  
9           increasing the productivity of the lands;

10      (3) Administer the programs of the State relating to  
11          animal husbandry, entomology, farm credit, development  
12          and promotion of agricultural products and markets,  
13          and the establishment and enforcement of the rules on  
14          the grading and labeling of agricultural products; and

15      (4) Administer the aquaculture program under section ~~[141-~~  
16          ~~2.5.]~~ 141-B."

17      SECTION 4. Section 141-2.5, Hawaii Revised Statutes, is  
18      repealed.

19      ~~["~~[S141-2.5]~~ Aquaculture program. (a) There is~~  
20      ~~established within the department an aquaculture program that~~  
21      ~~shall:~~



~~(1) Maintain cognizance of actions taken by industry and  
by federal, state, county, and private agencies in  
activities relating to aquaculture, and promote and  
support worthwhile aquaculture activities;~~

~~(2) Serve as an information clearinghouse for aquaculture  
activities;~~

~~(3) Coordinate development projects to investigate and  
solve biological and technical problems involved in  
raising selected species with commercial potential;~~

~~(4) Actively seek federal funding for aquaculture  
activities;~~

~~(5) Undertake activities required to develop and expand  
the aquaculture industry; and~~

~~(6) Perform such other functions and activities as may be  
assigned by law.~~

~~(b) The chairperson of the board may employ temporary  
staff exempt from chapter 76." ]~~

SECTION 5. Section 141-2.6, Hawaii Revised Statutes, is  
repealed.



1       ~~["§141-2.6] Fees for aquaculture services. The~~  
2       ~~department of agriculture may establish and assess fees pursuant~~  
3       ~~to chapter 91 for:~~

4       ~~(1) Aquatic animal and plant health diagnostic services;~~  
5       ~~and~~

6       ~~(2) Any items or expert services purchased from the~~  
7       ~~department related to aquaculture planning, disease~~  
8       ~~management, and the marketing of seafood products;~~  
9       ~~provided that the assessment of these fees does not violate any~~  
10      ~~other provision of this chapter."]~~

11       SECTION 6. Section 141-2.7, Hawaii Revised Statutes, is  
12       repealed.

13       ~~["§141-2.7] Aquaculture development special fund. (a)~~  
14       ~~There is established in the state treasury the aquaculture~~  
15       ~~development special fund into which shall be deposited:~~

16       ~~(1) Appropriations from the legislature;~~  
17       ~~(2) Moneys collected as fees for special microbiological~~  
18       ~~and histological procedures and expert aquaculture-~~  
19       ~~related services;~~



1       ~~(3) Moneys collected from the sale of any item related to~~  
2       ~~aquaculture development that is purchased from the~~  
3       ~~department;~~

4       ~~(4) Moneys directed to the aquaculture development program~~  
5       ~~from any other sources, including but not limited to~~  
6       ~~grants, gifts, and awards; and~~

7       ~~(5) Moneys derived from interest, dividend, or other~~  
8       ~~income from the above sources.~~

9       ~~(b) Moneys in the aquaculture development special fund~~  
10      ~~shall be used to:~~

11       ~~(1) Implement the aquatic disease management programs and~~  
12       ~~activities of the department, including provision of~~  
13       ~~state funds to match federal grants; and~~

14       ~~(2) Support research and development programs and~~  
15       ~~activities relating to the expansion of the state~~  
16       ~~aquaculture industry. Research and development~~  
17       ~~programs and activities funded under this paragraph~~  
18       ~~may be conducted by department personnel or through~~  
19       ~~contracts with the University of Hawaii or other~~  
20       ~~qualified persons." ]~~



1       SECTION 7. The department of agriculture shall acquire  
2 land for the purposes of aquaculture.

3       SECTION 8. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$               or so  
5 much thereof as may be necessary for fiscal year 2022-2023 for  
6 four full-time equivalent (4.0 FTE) positions within the  
7 department of agriculture for the purposes of this Act.

8       The sum appropriated shall be expended by the department of  
9 agriculture for the purposes of this Act.

10       SECTION 9. There is appropriated out of the general  
11 revenues of the State of Hawaii the sum of \$               or so  
12 much thereof as may be necessary for fiscal year 2022-2023 for  
13 operating costs for research, outreach, and marketing and to  
14 carry out the purposes of this Act.

15       The sum appropriated shall be expended by the department of  
16 agriculture for the purposes of this Act.

17       SECTION 10. In codifying the new sections added by section  
18 2 of this Act, the revisor of statutes shall substitute  
19 appropriate section numbers for the letters used in designating  
20 the new sections in this Act.



- 1       SECTION 11. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.  
3       SECTION 12. This Act shall take effect on July 30, 2075.



**Report Title:**

Aquaculture; Department of Agriculture; Aquaculture Program;  
Appropriation

**Description:**

Establishes provisions relating to the department of agriculture's governing of the business of aquaculture. Grants exclusive property rights to persons who lawfully obtain the cultured progeny of wild plants and animals by brood stock acquisition. Authorizes the department of agriculture to regulate the transportation, purchase, possession, and sale of specific aquaculture products as may be necessary to protect indigenous species. Requires the department of agriculture to prepare programmatic environmental impact reports and acquire land for aquacultural purposes. Makes appropriations. Effective 7/30/2075. (HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

