

JAN 20 2023

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# A BILL FOR AN ACT

RELATING TO AQUACULTURE.

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

1 PART I

2 SECTION 1. Chapter 163D, Hawaii Revised Statutes, is  
3 amended by adding a new part to be appropriately designated and  
4 to read as follows:

5 "PART . AQUACULTURE

6 §163D-A Definitions. As used in this part:

7 "Aquaculture" means any form of agriculture devoted to the  
8 propagation, cultivation, maintenance, and harvesting of aquatic  
9 plants and animals in marine, brackish, and fresh water. The  
10 term "aquaculture" does not include species of ornamental marine  
11 or freshwater plants and animals that are not utilized for human  
12 consumption or bait purposes and that are maintained in closed  
13 systems for personal, pet industry, or hobby purposes.

14 "Executive director" means the executive director appointed  
15 pursuant to section 163D-3.



1 "Person" means any natural person or any partnership,  
2 corporation, limited liability company, trust, or other type of  
3 association.

4 **§163D-B Aquaculture program.** (a) There is established  
5 within the corporation an aquaculture program that shall:

6 (1) Monitor actions taken by industry and by federal,  
7 state, county, and private agencies in activities  
8 relating to aquaculture, and promote and support  
9 worthwhile aquaculture activities;

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

12 (3) Coordinate development projects to investigate and  
13 solve biological and technical problems involved in  
14 raising selected species having commercial potential;

15 (4) Actively seek federal funding for aquaculture  
16 activities;

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

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



1 (b) The executive director may employ temporary staff  
2 exempt from chapter 76 for the aquaculture program.

3 **§163D-C Fees for aquaculture services.** The corporation  
4 may establish and assess fees pursuant to chapter 91 for:

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

7 (2) Any items or expert services purchased from the  
8 corporation related to aquaculture planning,  
9 aquaculture disease management, and the marketing of  
10 seafood products;

11 provided that the assessment of these fees does not violate any  
12 provisions of this chapter.

13 **§163D-D Aquaculture development special fund.** (a) There  
14 is established in the state treasury the aquaculture development  
15 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  
19 aquaculture-related services;



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

4           (4) Moneys directed to the aquaculture program from any  
5           other sources, including but not limited to grants,  
6           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 corporation, including the provision  
13           of 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 corporation personnel or through  
19           contracts with the university of Hawaii or other  
20           qualified persons.





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

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

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

15 ~~(4) Administer the aquaculture program under section~~  
16 ~~141-52]."~~

17 SECTION 2. Section 141-51, Hawaii Revised Statutes, is  
18 amended by deleting the definition of "Chairperson".

19 [~~"Chairperson" means the chairperson of the board of~~  
20 ~~agriculture."~~]



1 SECTION 3. Section 141-52, Hawaii Revised Statutes, is  
2 repealed.

3 [~~§141-52~~] ~~Aquaculture program.~~ (a) ~~There is~~  
4 ~~established within the department an aquaculture program that~~  
5 ~~shall:~~

6 ~~(1) Monitor actions taken by industry and by federal,~~  
7 ~~state, county, and private agencies in activities~~  
8 ~~relating to aquaculture, and promote and support~~  
9 ~~worthwhile aquaculture activities;~~

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

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

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

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

19 ~~(6) Perform other functions and activities that may be~~  
20 ~~assigned by law.~~



1       ~~(b) The chairperson may employ temporary staff exempt from~~  
2 ~~chapter 76 for the aquaculture program." ]~~

3       SECTION 4. Section 141-53, Hawaii Revised Statutes, is  
4 repealed.

5       ~~"[§141-53] Fees for aquaculture services. The department~~  
6 ~~of agriculture may establish and assess fees pursuant to~~  
7 ~~chapter 91 for:~~

8       ~~(1) Aquatic animal and plant health diagnostic services;~~  
9       ~~and~~

10       ~~(2) Any items or expert services purchased from the~~  
11       ~~department related to aquaculture planning,~~  
12       ~~aquaculture disease management, and the marketing of~~  
13       ~~seafood products;~~

14 ~~provided that the assessment of these fees does not violate any~~  
15 ~~provisions of this chapter." ]~~

16       SECTION 5. Section 141-54, Hawaii Revised Statutes, is  
17 repealed.

18       ~~"[§141-54] Aquaculture development special fund. (a)~~  
19 ~~There is established in the state treasury the aquaculture~~  
20 ~~development special fund into which shall be deposited:~~

21       ~~(1) Appropriations from the legislature;~~





1       ~~(2) Moneys collected as fees for special microbiological~~  
2           ~~and histological procedures and expert~~  
3           ~~aquaculture-related services;~~

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

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

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

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

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

17       ~~(2) Support research and development programs and~~  
18           ~~activities relating to the expansion of the state~~  
19           ~~aquaculture industry. Research and development~~  
20           ~~programs and activities funded under this paragraph~~  
21           ~~may be conducted by department personnel or through~~



1 ~~contracts with the University of Hawaii or other~~  
2 ~~qualified persons." ]~~

3 SECTION 6. Section 141-55, Hawaii Revised Statutes, is  
4 repealed.

5 [~~"[§141-55] Powers, duties, and activities of the~~  
6 ~~department.~~ (a) ~~The business of aquaculture shall be governed~~  
7 ~~by this part and shall be exempt from any other provisions~~  
8 ~~relating to the harvesting, processing, and marketing of~~  
9 ~~cultured aquatic life.~~

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

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

17 ~~(d) Any costs incurred by the department in implementing~~  
18 ~~this part shall be recovered pursuant to this part." ]~~

19 PART III

20 SECTION 7. Any unencumbered balance remaining in the  
21 aquaculture development special fund repealed by section 5 of



1 this Act shall be transferred to the credit of the aquaculture  
2 development special fund established by section 1 of this Act.

3 SECTION 8. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$ or so much  
5 thereof as may be necessary for fiscal year 2023-2024 and the  
6 same sum or so much thereof as may be necessary for fiscal year  
7 2024-2025 for the establishment of the Wilikina hatchery and  
8 education center.

9 The sums appropriated shall be expended by the agribusiness  
10 development corporation for the purposes of this Act.

11 SECTION 9. There is appropriated out of the general  
12 revenues of the State of Hawaii the sum of \$ or so  
13 much thereof as may be necessary for fiscal year 2023-2024 and  
14 the same sum or so much thereof as may be necessary for fiscal  
15 year 2024-2025 for the establishment of the Mokuleia aquaculture  
16 innovation center.

17 The sums appropriated shall be expended by the agribusiness  
18 development corporation for the purposes of this Act.

19 SECTION 10. All rights, powers, functions, and duties of  
20 the department of agriculture relating to the amendments made by



1 part II of this Act are transferred to the agribusiness  
2 development corporation.

3 All employees who occupy civil service positions and whose  
4 functions are transferred to the agribusiness development  
5 corporation by this Act shall retain their civil service status,  
6 whether permanent or temporary. Employees shall be transferred  
7 without loss of salary, seniority (except as prescribed by  
8 applicable collective bargaining agreements), retention points,  
9 prior service credit, any vacation and sick leave credits  
10 previously earned, and other rights, benefits, and privileges,  
11 in accordance with state personnel laws and this Act; provided  
12 that the employees possess the minimum qualifications and public  
13 employment requirements for the class or position to which  
14 transferred or appointed, as applicable; provided further that  
15 subsequent changes in status may be made pursuant to applicable  
16 civil service and compensation laws.

17 Any employee who, prior to this Act, is exempt from civil  
18 service and is transferred as a consequence of this Act may  
19 retain the employee's exempt status, but shall not be appointed  
20 to a civil service position as a consequence of this Act. An  
21 exempt employee who is transferred by this Act shall not suffer



1 any loss of prior service credit, vacation or sick leave credits  
2 previously earned, or other employee benefits or privileges as a  
3 consequence of this Act; provided that the employees possess  
4 legal and public employment requirements for the position to  
5 which transferred or appointed, as applicable; provided further  
6 that subsequent changes in status may be made pursuant to  
7 applicable employment and compensation laws. The executive  
8 director of the agribusiness development corporation may  
9 prescribe the duties and qualifications of these employees and  
10 fix their salaries without regard to chapter 76, Hawaii Revised  
11 Statutes.

12 SECTION 11. All appropriations, records, equipment,  
13 machines, files, supplies, contracts, books, papers, documents,  
14 maps, and other personal property heretofore made, used,  
15 acquired, or held by the department of agriculture relating to  
16 the functions transferred to the agribusiness development  
17 corporation shall be transferred with the functions to which  
18 they relate.

19 SECTION 12. In codifying the new sections added by  
20 section 1 of this Act, the revisor of statutes shall substitute



1 appropriate section numbers for the letters used in designating  
2 the new sections in this Act.

3 SECTION 13. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5 SECTION 14. This Act shall take effect on July 1, 2023.

6

INTRODUCED BY:

*Damonte G.*



**Report Title:**

ABDC; HDOA; Aquaculture; Appropriation

**Description:**

Transfers the aquaculture program from the Department of Agriculture to the Agribusiness Development Corporation. Appropriates moneys.

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

