THE SENATE
THIRTY-THIRD LEGISLATURE, 2026
STATE OF HAWAII

S.B. NO. 2907 S.D. 1 H.D. 1

A BILL FOR AN ACT

RELATING TO MARINE AFFAIRS.

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

SECTION 1. The legislature finds that the ocean economy, commonly referred to as the blue economy, represents one of the fastest-growing economic opportunities globally. The blue economy is the sustainable use of ocean and aquatic resources for economic growth, improved livelihoods, and job creation while preserving the health of oceanic and aquatic ecosystems. This includes a broad set of industries, including but not limited to marine construction, ship and boat building, marine transportation, energy, tourism and recreation, fisheries and other fishery-related businesses, aquaculture, marine biotechnology, ocean and coastal management, and conservation. The annual economic output of the blue economy is projected to double to an estimated $3,000,000,000,000 by 2030.

The legislature further finds that Hawaii is already a national leader in the blue economy. As the United States' only island state, Hawaii's blue economy is substantial and growing, with the number of marine businesses in the State having

increased by twenty-three per cent within the past decade. This strength builds on the legacy, wisdom, and cultural ties that Native Hawaiians have cultivated with the ocean for centuries.

However, to remain competitive with other coastal states and with other countries, the State must act to modernize its approach and capitalize on its technology, infrastructure, and manufacturing advancements. These assets include marine biotechnology; autonomous maritime navigation; cybersecurity; shipping, ports, and harbors; and ocean data observation systems.

The legislature also finds that ocean clusters serve as engines of growth for more than fifty ocean industry development initiatives around the world. Successful examples exist nationally in San Diego and Washington and internationally in Iceland, Norway, and Singapore, where ocean clusters have catalyzed job creation, investment, innovation, and cross-sector collaboration.

Therefore, the legislature finds that designating and prioritizing Hawaii as an ocean cluster will further promote and expand the State's blue economy by leveraging existing strengths while supporting innovation, emerging opportunities, and

diversified economic growth. The Hawaii ocean cluster would encompass a broad range of blue economy activities, supported by technology, innovation, and Native Hawaiian knowledge as essential cross-cutting priorities.

Accordingly, the purpose of this Act is to:

(1) Declare that the State is an ocean cluster;

(2) Establish the office of marine affairs and marine affairs task force within the Hawaii technology development corporation;

(3) Establish and appropriate funds for the marine affairs coordinator position;

(4) Repeal the powers and duties of the department of business, economic development, and tourism in marine affairs; and

(5) Transfer the personnel and functions of the governor's advisory committee on marine affairs to the office of marine affairs.

SECTION 2. Chapter 206M, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

"PART . MARINE AFFAIRS

1 **§206M-A Declaration of intent.** The legislature declares
2 it to be the purpose of this part to recognize and promote the
3 State as an ocean cluster, a globally unique hub for ocean- and
4 aquatic-centered culture, stewardship, economic opportunity, and
5 innovation. The legislature recognizes that the State's status
6 as the United States' only island state, strategic location in
7 the Pacific Ocean, and history of Native Hawaiian knowledge in
8 ocean navigation, regenerative marine resource management and
9 ecosystem monitoring, and coastal resilience, uniquely position
10 the State to lead the Pacific region in ocean- and aquatic-based
11 industry development. The legislature further declares that
12 actions taken under this part shall recognize the State's legacy
13 within the blue economy while positioning the State as a global
14 center of excellence for ocean- and aquatic-related activities.
15 It is the intent of the legislature that the State's development
16 as an ocean cluster benefits communities across the State
17 through innovation that promotes cultural heritage and economic
18 opportunity.
19 **§206M-B Definitions.** For the purposes of this part:
20 "Blue economy" means industrial and economic activities
21 that sustainably use ocean- and aquatic-related resources for

economic growth, improved livelihoods, and job creation while preserving the health of oceanic and aquatic ecosystems. "Blue economy" includes but is not limited to industries such as marine construction, ship and boat building, marine transportation, energy, tourism and recreation, fisheries and fishery-related businesses, aquaculture, marine biotechnology, ocean and coastal management, and conservation.

"Coordinator" means the marine affairs coordinator.

"Office" means the office of marine affairs.

"Task force" means the marine affairs task force.

§206M-C Office of marine affairs; marine affairs task force; establishment. (a) There is established the office of marine affairs within the development corporation for administrative purposes only. The purpose of the office shall be to facilitate the development of marine affairs-related industries in the State. Duties of the office shall include but not be limited to:

(1) Developing and implementing a statewide marine affairs strategy that prioritizes the sustainable use, conservation, and stewardship of marine resources and encompasses:

(A) Research and education;

(B) Ecosystem management;

(C) Coastal resilience;

(D) Fisheries and ocean-based food systems;

(E) Marine tourism and recreation;

(F) Conservation and stewardship; and

(G) Marine transportation and logistics;

(2) Conducting comprehensive reviews of the status of marine policy in the State at regular intervals;

(3) Identifying key challenges and opportunities for the State in marine affairs;

(4) Collaborating with and supporting other public entities working to develop the State's marine industries;

(5) Promoting and developing technology-enabled marine industries within the blue economy by:

(A) Developing and implementing a statewide ocean technology and innovation development strategy that complements the statewide marine affairs strategy developed pursuant to paragraph (1);

(B) Conducting regular blue economy value chain assessments, including but not limited to maritime, aquaculture, coastal resilience, and ocean observation data to determine constraints, capital requirements, workforce gaps, and commercialization pathways;

(C) Identifying, evaluating, and proposing solutions to regulatory, capital, workforce, infrastructure, and permitting barriers to the growth and competitiveness of technology-enabled ocean industries in the State;

(D) Establishing a blue economy project and investment readiness program to facilitate the conversion of ocean innovation concepts into investable and deployable projects;

(E) Pursuing public, private, and federal funding to support ocean innovation and commercialization and the development of a robust ocean technology ecosystem;

(F) Developing advanced technologies to support marine industries, including but not limited to:

(i) Autonomous maritime navigation;

(ii) Digital and physical modernization of ocean and coastal infrastructure;

(iii) Electrification of ports and harbors;

(iv) Marine biotechnology;

(v) Ocean and coastal monitoring and observation systems; and

(vi) Regenerative technology innovations; and

(G) Recommending legislation and policies to strengthen the State's competitiveness in the blue economy and ocean technologies sectors;

(6) Serving as the State's coordinating entity for technological advancement and economic development in the blue economy; and

(7) Developing actionable recommendations for the governor and legislature to reinvigorate the State's marine affairs development strategy.

(b) The governing body of the office shall consist of a marine affairs task force consisting of the following members:

(1) The chairperson of the board of land and natural resources or the chairperson's designee;

(2) The chairperson of the board of agriculture and biosecurity or the chairperson's designee;

(3) The deputy director of the harbors division of the department of transportation or the deputy director's designee;

(4) The executive director of the natural energy laboratory of Hawaii authority or the executive director's designee;

(5) The chief executive officer of the Hawaii technology development corporation or the chief executive officer's designee;

(6) The executive director of the agribusiness development corporation or the executive director's designee;

(7) The chief energy officer of the Hawaii state energy office or the chief energy officer's designee;

(8) The chief executive officer of the office of Hawaiian affairs or the chief executive officer's designee;

(9) Two representatives from the university of Hawaii system, including:

(A) The dean of the school of ocean and earth science and technology or the dean's designee; and

(B) The vice president of research and innovation or the vice president's designee; and

(10) Three representatives of the business sector with experience in the marine affairs field, including ocean shipping, ocean engineering, marine science and technology, consulting and public affairs, and marine research, who shall be invited by the chair to participate.

(c) Members shall be appointed in accordance with section 26-34. The terms of the members shall be for four years. The task force shall select one of its members to serve as chair. No member of the task force shall receive any compensation for task force services, but shall be allowed reimbursement for necessary expenses for travel, board, and lodging incurred in the performance of task force duties.

§206M-D Marine affairs coordinator; appointment; duties. (a) The office of marine affairs established pursuant to section 206M-C(a) shall appoint a marine affairs coordinator for the proper administration, enforcement, and facilitation of this part, without regard to chapter 76; provided that the coordinator shall be eligible for participation in state

employee benefit plans. Notwithstanding section 76-16(b)(17), this exemption from chapter 76 shall not expire. The salary of the coordinator shall be set by the governor.

(b) The marine affairs coordinator shall:

(1) Develop plans for future projects that align with the office's marine affairs strategy and statewide ocean technology and innovation development strategy, including objectives and criteria to measure the accomplishment of objectives; develop and implement programs through which the objectives are to be attained; and determine financial requirements for the total and optimum development of the State's marine resources based on the goals and needs of the State;

(2) Conduct systematic analyses of existing and proposed marine programs, evaluate the analyses conducted by state agencies, and recommend to the office, governor, and legislature programs that represent the most effective allocation of resources for the development of the blue economy;

(3) Assist departments having interests in marine affairs, including by assisting state agencies to develop and

analyze plans for future economic development projects relating to marine resources or technologies; coordinate activities that involve the responsibilities of multiple state agencies; and ensure the timely and effective implementation of all authorized marine projects and programs;

(4) Coordinate the dissemination of information related to the office's activities and the State's leadership potential as the center for marine affairs to the federal government, other state governments, governments of nations with interests in the Pacific basin, private and public organizations involved in marine science and technology, and commercial enterprises;

(5) Coordinate the State's involvement in national and international efforts to investigate, develop, and utilize the marine resources of the Pacific basin;

(6) Develop programs to continuously encourage private and public marine exploration and research projects that will result in the development of improved technological capabilities in the State;

(7) Formulate specific program and project proposals to solicit increased investment from the federal government and other sources to develop the State's marine resources and technologies and coordinate the preparation and submission of program and project proposals of state agencies;

(8) Serve as consultant on behalf of the office to the governor, state agencies, and private industry on matters relating to the preservation and enhancement of the quality of the State's marine environment;

(9) Perform other services as may be required by the office, governor, or legislature;

(10) Contract for services when required for the implementation of this part; and

(11) Prepare and submit an annual report to the governor and legislature on the implementation of this part and all matters related to marine affairs, including the office's findings, recommendations, and any proposed legislation no later than December 1 of each year."

SECTION 3. Section 201-13, Hawaii Revised Statutes, is repealed.

["~~§201-13 Powers and duties of the department of business, economic development, and tourism in marine affairs.~~ ~~The department of business, economic development, and tourism shall:~~

~~(1) Assist state agencies in developing and analyzing plans, including objectives, criteria to measure the accomplishment of objectives, programs through which the objectives are to be attained, and financial requirements for the total and optimum development of Hawaii's marine resources based on the needs and goals of the State;~~

~~(2) Develop and analyze plans for future economic development projects, including objectives and criteria to measure the accomplishment of objectives; develop and implement programs through which the objectives are to be attained; and determine financial requirements for the total and optimum development of Hawaii's marine resources based on the needs and goals of the State;~~

~~(3) Assist those departments having interests in marine affairs, coordinate those activities which involve the responsibilities of multiple state agencies, and~~

~~encourage the timely and effective implementation of all authorized marine projects and programs;~~

~~(4) Coordinate the dissemination of information to the federal government, other state governments, governments of nations with interests in the Pacific basin, private and public organizations involved in marine science and technology, and commercial enterprises of Hawaii's leadership potential as the center for marine affairs;~~

~~(5) Coordinate the State's involvement in national and international efforts to investigate, develop and utilize the marine resources of the Pacific basin;~~

~~(6) Develop programs to continuously encourage private and public marine exploration and research projects which will result in the development of improved technological capabilities in Hawaii; and~~

~~(7) Formulate and assist state agencies in formulating specific program and project proposals to solicit increased investment by the federal government and other sources to develop Hawaii's marine resources.~~"]

SECTION 4. The governor's advisory committee on marine affairs established by executive order is redesignated as the office of marine affairs established by section 206M-C, Hawaii Revised Statutes, and shall assume the functions prescribed by section 206M-C, Hawaii Revised Statutes.

The members presently serving on the governor's advisory committee on marine affairs shall continue to serve; provided that subsequent appointments to the office of marine affairs shall conform with the requirements of section 206M-C, Hawaii Revised Statutes. The chairperson of the board of land and natural resources, chairperson of the board of agriculture and biosecurity, deputy director of the harbors division of the department of transportation, executive director of the natural energy laboratory of Hawaii authority, chief executive officer of the Hawaii technology development corporation, executive director of the agribusiness development corporation, chief energy officer of the Hawaii state energy office, chief executive officer of the office of Hawaiian affairs, and representatives of the university of Hawaii system shall begin their service upon the effective date of this Act.

All officers and employees whose functions relate to the governor's advisory committee on marine affairs shall continue to serve but shall upon and after the effective date of this Act be considered employees of the office of marine affairs. The status of the employees shall not be affected by this Act, except for the redesignation of the committee.

SECTION 5. All rights, powers, functions, and duties of the governor's advisory committee on marine affairs are transferred to the Hawaii technology development corporation.

All officers and employees whose functions are transferred by this Act shall be transferred with their functions and shall continue to perform their regular duties upon their transfer, subject to the state personnel laws and this Act.

No officer or employee of the State having tenure shall suffer any loss of salary, seniority, prior service credit, vacation, sick leave, or other employee benefit or privilege as a consequence of this Act, and such officer or employee may be transferred or appointed to a civil service position without the necessity of examination; provided that the officer or employee possesses the minimum qualifications for the position to which transferred or appointed; and provided that subsequent changes

in status may be made pursuant to applicable civil service and compensation laws.

An officer or employee of the State who does not have tenure and who may be transferred or appointed to a civil service position as a consequence of this Act shall become a civil service employee without the loss of salary, seniority, prior service credit, vacation, sick leave, or other employee benefits or privileges and without the necessity of examination; provided that such officer or employee possesses the minimum qualifications for the position to which transferred or appointed.

If an office or position held by an officer or employee having tenure is abolished, the officer or employee shall not thereby be separated from public employment, but shall remain in the employment of the State with the same pay and classification and shall be transferred to some other office or position for which the officer or employee is eligible under the personnel laws of the State as determined by the head of the department or the governor.

SECTION 6. All appropriations, records, equipment, machines, files, supplies, contracts, books, papers, documents,

maps, and other personal property heretofore made, used, acquired, or held by the governor's advisory committee on marine affairs relating to the functions transferred to the office of marine affairs shall be transferred with the functions to which they relate.

SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of $ or so much thereof as may be necessary for fiscal year 2026-2027 to fund one full-time equivalent (1.0 FTE) marine affairs coordinator position within the Hawaii technology development corporation to support the office of marine affairs.

The sum appropriated shall be expended by the Hawaii technology development corporation for the purposes of this part.

SECTION 8. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 9. Statutory material to be repealed is bracketed and stricken.

1 SECTION 10. This Act shall take effect on July 1, 2050.

S.B. NO. 2907 S.D. 1 H.D. 1

Report Title:
Hawaii Technology Development Corporation; Ocean Cluster; Office of Marine Affairs; Marine Affairs Task Force; Marine Affairs Coordinator; Reports; Transfer; Appropriation

Description:
Declares that the State is an ocean cluster. Establishes the Office of Marine Affairs and Marine Affairs Task Force within the Hawaii Technology Development Corporation. Establishes and appropriates funds for the Marine Affairs Coordinator position. Repeals the powers and duties of the Department of Business, Economic Development, and Tourism in marine affairs. Transfers the employees and functions of the Governor's Advisory Committee on Marine Affairs to the Office of Marine Affairs. Effective 7/1/2050. (HD1)

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