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# A BILL FOR AN ACT

RELATING TO A BLUE ECONOMY.

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

1           SECTION 1. The legislature finds that natural climate  
2 solutions--or actions to protect, sustainably manage, and  
3 restore natural and modified ecosystems in ways that address  
4 climate change--are crucial interventions that help governments  
5 and companies achieve their net-zero carbon emissions ambitions.  
6 Marine-based ecosystem restoration projects have attracted  
7 particular attention as natural climate solutions due to their  
8 ability to sequester and store carbon at densities that may  
9 exceed other climate initiatives.

10           The legislature further finds that interest in funding  
11 projects that connect marine-based ecosystem restoration with  
12 decarbonization may come from the private sector, public sector,  
13 and philanthropic organizations. Coordinating these funding  
14 sources will involve identifying constraints that each sector  
15 must consider, including the costs of project implementation and  
16 project management, and the impact of local and federal  
17 governance decisions on project feasibility and sustainability.



1           The legislature additionally finds that lawmakers adopted  
2 S.C.R. No. 115, H.D. 1 (2025), which affirms the importance of  
3 marine ecosystem restoration in achieving the State's  
4 decarbonization goals. Notably, the senate concurrent  
5 resolution also reasserted a commitment to strengthening carbon  
6 accounting methodologies to assist in the quantification and  
7 reduction of direct and indirect greenhouse gas emissions,  
8 including emissions reductions achieved through ocean and marine  
9 ecosystem restoration.

10           The legislature also finds that Hatch Innovation Services,  
11 an innovation consultancy focused on sustainable and climate  
12 smart seafood systems, published a report entitled "Hawaii's  
13 Ocean Opportunity" with funding from the department of  
14 agriculture and biosecurity that recognized restorative ocean  
15 food production as a sustainable economic venture for the State.  
16 According to the report, restorative aquaculture presents a  
17 nature-based opportunity to serve communities at a lower  
18 environmental footprint. The report also notes that investments  
19 in coastal and marine ecosystem restoration and protection,  
20 sustainable marine aquaculture, zero-emission marine transport,  
21 and ocean-based renewable energy could have a transformative



1 impact on the State's ability to successfully merge its climate  
2 mitigation, carbon sequestration, sustainable agriculture, and  
3 economic development goals.

4 Accordingly, the purpose of this Act is to establish a blue  
5 economy working group to study how best to develop and support  
6 economic activities that further the State's climate and food  
7 production goals.

8 SECTION 2. (a) There is established a blue economy  
9 working group to study how best to develop and support  
10 marine-based economic activities that align with the State's  
11 decarbonization and restorative food production goals.

12 (b) The working group shall:

13 (1) Evaluate opportunities for expanding funding and other  
14 forms of support for projects related to a blue  
15 economy, including projects that connect coastal and  
16 marine ecosystem restoration with decarbonization and  
17 regenerative agricultural methods;

18 (2) Analyze existing blue economic models and research,  
19 including the "Hawaii's Ocean Opportunity" report  
20 prepared by Hatch Innovation Services in partnership  
21 with the department of agriculture and biosecurity;



- 1           (3) Identify favorable public policies and best practices  
2           for developing successful projects that follow blue  
3           economic principles and align with Hawaii's cultural  
4           foundations;
- 5           (4) Assess possibilities for cross-sector collaboration in  
6           the development and expansion of the State's blue  
7           economy, including in the areas of conservation,  
8           climate mitigation, agriculture, and aquaculture; and
- 9           (5) Consider any other relevant factors that the working  
10          group deems appropriate.
- 11          (c) The working group shall consist of the following  
12 members:
- 13          (1) The director of the department of business, economic  
14          development, and tourism, or their designee, who shall  
15          serve as chairperson of the working group;
- 16          (2) The chairperson of the board of land and natural  
17          resources, or their designee;
- 18          (3) The chief energy officer of the Hawaii state energy  
19          office, or their designee;
- 20          (4) The chairperson of the board of agriculture and  
21          biosecurity, or their designee;



- 1           (5) The coordinator of the Hawaii climate change  
2           mitigation and adaptation commission, or their  
3           designee;
- 4           (6) The executive director of the university of Hawaii  
5           economic research organization, or their designee;
- 6           (7) A representative from a private business that operates  
7           in an oceanic or other marine-based industry, to be  
8           invited by the chairperson;
- 9           (8) A representative from a nonprofit public interest  
10          organization that specializes in marine-based  
11          ecosystem restoration or management, to be invited by  
12          the chairperson;
- 13          (9) A representative from a nonprofit public interest  
14          organization that specializes in environmental  
15          preservation, to be invited by the chairperson;
- 16          (10) A representative from an organization that specializes  
17          in innovation related to climate smart seafood  
18          systems, to be invited by the chairperson; and
- 19          (11) Any additional members with appropriate specialized  
20          expertise, as recommended by the members of the



1 working group, at the discretion of and to be invited  
2 by the chairperson.

3 (d) The members of the working group shall serve without  
4 compensation, but may be reimbursed for reasonable expenses  
5 incurred, including travel expenses.

6 (e) No member of the working group shall be subject to  
7 chapter 84, Hawaii Revised Statutes, solely because of the  
8 member's participation in the working group.

9 (f) The working group shall submit a report of its  
10 findings and recommendations, including any proposed  
11 legislation, to the legislature no later than twenty days prior  
12 to the convening of the regular session of 2027.

13 (g) The working group shall be dissolved on June 30, 2027.

14 SECTION 3. This Act shall take effect on July 1, 2050.



# S.B. NO. 2374 S.D. 1

**Report Title:**

Blue Economy; Decarbonization; Marine Ecosystems; Working Group; Report

**Description:**

Establishes the Blue Economy Working Group to study how to develop and support marine-based economic activities that align with the State's decarbonization and restorative food production goals. Requires a report to the Legislature. Effective 7/1/2050. (SD1)

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