

STAND. COM. REP. NO.

3002

Honolulu, Hawaii

APR 01 2010

RE: H.B. No. 2409  
H.D. 2  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 2409, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AQUACULTURE,"

begs leave to report as follows:

The purpose of this measure is to promote commercial aquaculture operations in the State by providing favorable leasing terms of state lands.

More specifically, this measure:

- (1) Increases the maximum lease term for aquaculture operations from thirty-five to forty-five years;
- (2) Permits aquaculture operations in good standing to be given the right of first refusal to renew an aquaculture lease;
- (3) Allows aquaculture operations to engage in supportive aquaculture activities during the lease term;
- (4) Defines the term aquaculture and includes taro within the definition; and
- (5) Requires the Department of Agriculture and the Department of Land and Natural Resources to conduct a comprehensive study to identify state lands that are or



can be made available for taro production and submit a report to the Legislature.

Your Committee received written comments in support of this measure from Aquaculture Planning and Advocacy, East Oahu County Farm Bureau, Fully Integrated Systems Hawaii, Hawaii Aquaculture Association, Hawaii Fish Company, Hawaii Oceanic Technology, Inc., Pacific Aquaculture and Biotechnology, and six concerned individuals. The Sierra Club of Maui, Food and Water Watch, and two individuals submitted comments in opposition. The Department of Agriculture, Department of Land and Natural Resources, and seventy-two individuals submitted comments. The written comments may be reviewed on the Legislature's website.

Your Committee finds that direct leasing of public lands is the cornerstone for building a successful aquaculture industry in the State. However, the current maximum lease rate does not allow aquaculture ventures to reach economic viability. As a result, aquaculture ventures have a difficult time attracting financing. Your Committee also finds that the production of taro is vital to the aquaculture and agriculture industries. Your Committee believes that this measure will ensure that the aquaculture industry thrives in the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2409, H.D. 2, S.D. 1, and recommends that it pass Third Reading.


Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONNA MERCADO KIM, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <i>HB 2409 HD2 SD1</i>	Committee Referral: <i>WTL, WAM</i>	Date: <i>3/24/2010</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol				/
GALUTERIA, Brickwood	/			
HEE, Clayton	/			
HOOSER, Gary L.		/		
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
<b>TOTAL</b>	<i>10</i>	<i>1</i>	<i>0</i>	<i>1</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes