
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 direct leasing of
2 public lands has been a cornerstone for building a successful
3 commercial aquaculture industry in the State. Currently,
4 aquaculture leases have a statutory limit of thirty-five years,
5 with no option for renewal, whereas state non-agricultural park
6 leases have a maximum term of sixty-five years for experienced
7 farmers and include the option for renewal. Project financing
8 and private-sector investment require sufficient lease terms for
9 ventures to reach economic viability. Federally guaranteed
10 loans for aquaculture enterprises are available for loan terms
11 up to forty years, but some require applicants to have a lease
12 with at least five years remaining past the term of the loan,
13 thus requiring a minimum of forty-five years. Other federally
14 guaranteed loans require a lease at least fifty per cent longer
15 than the term of the loan which, in the case of a forty-year
16 loan, means a minimum of sixty years.



1 The purpose of this Act is to encourage commercial
2 aquaculture production in the State by providing favorable terms
3 for the leasing of public lands.

4 SECTION 2. Section 26-19, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "§26-19 Department of transportation. The department of
7 transportation shall be headed by a single executive to be known
8 as the director of transportation.

9 The department shall establish, maintain, and operate
10 transportation facilities of the State, including highways,
11 airports, harbors, and such other transportation facilities and
12 activities as may be authorized by law.

13 The department shall plan, develop, promote, and coordinate
14 various transportation systems management programs that shall
15 include[7] but not be limited to[7] alternate work and school
16 hours programs, bicycling programs, and ridesharing programs.

17 The department shall develop and promote ridesharing
18 programs which shall include but not be limited to[7] carpool
19 and vanpool programs, and may assist organizations interested in
20 promoting similar programs, arrange for contracts with private
21 organizations to manage and operate these programs, and assist
22 in the formulation of ridesharing arrangements. Ridesharing



1 programs include informal arrangements in which two or more
2 persons ride together in a motor vehicle.

3 The department may designate any unused or underused public
4 lands of the department to be used for the purposes of
5 aquaculture and may enter into agreements to authorize the
6 department of land and natural resources or the department of
7 agriculture to dispose of designated lands in any manner
8 consistent with the use of lands for the purposes of
9 aquaculture, as authorized by law.

10 The functions and authority heretofore exercised by the
11 department of public works with respect to highways are
12 transferred to the department of transportation established by
13 this chapter.

14 On July 1, 1961, the Hawaii aeronautics commission, the
15 board of harbor commissioners and the highway commission shall
16 be abolished and their remaining functions, duties, and powers
17 shall be transferred to the department of transportation.

18 Upon the abolishment of the Hawaii aeronautics commission,
19 the board of harbor commissioners, and the highway commission,
20 there shall be established within the department of
21 transportation a commission to be known as the commission on
22 transportation which shall sit in an advisory capacity to the



1 director of transportation on matters within the jurisdiction of
2 the department of transportation. The commission on
3 transportation shall consist of not more than eleven members,
4 with the number of members from each county insofar as
5 practicable being approximately proportional to the population
6 of the respective counties to the population of the State;
7 provided that each of the four counties shall be represented by
8 at least one member."

9 SECTION 3. Section 171-3, Hawaii Revised Statutes, is
10 amended to read as follows:

11 "§171-3 Department of land and natural resources. (a)
12 The department of land and natural resources shall be headed by
13 an executive board to be known as the board of land and natural
14 resources. The department shall manage, administer, and
15 exercise control over public lands, the water resources, ocean
16 waters, navigable streams, coastal areas (excluding commercial
17 harbor areas), and minerals and all other interests therein and
18 exercise such powers of disposition thereof as may be authorized
19 by law. The department shall also manage and administer the
20 state parks, historical sites, forests, forest reserves, aquatic
21 life, aquatic life sanctuaries, public fishing areas, boating,
22 ocean recreation, coastal programs, wildlife, wildlife



1 sanctuaries, game management areas, public hunting areas,
2 natural area reserves, and other functions assigned by law.

3 (b) Notwithstanding subsection (a), beginning January 1,
4 2010, the authority to manage, administer, and exercise control
5 over any public lands that are designated important agricultural
6 lands pursuant to section 205-44.5, shall be transferred to the
7 department of agriculture.

8 (c) The department may exercise any power granted to it,
9 pursuant to this chapter or otherwise, over lands designated by
10 the department of transportation to be used for the purposes of
11 aquaculture."

12 SECTION 4. Section 171-59, Hawaii Revised Statutes, is
13 amended by amending subsection (b) to read as follows:

14 "(b) Disposition of public lands for airline, aircraft,
15 airport-related, agricultural processing, cattle feed
16 production, aquaculture, marine, maritime, and maritime-related
17 operations may be negotiated without regard to the limitations
18 set forth in subsection (a) and section 171-16(c); provided
19 that:

20 (1) The disposition encourages competition within the
21 aeronautical, airport-related, agricultural,



1 aquaculture, maritime, and maritime-related
2 operations;

3 (2) The disposition shall not exceed a maximum term of
4 thirty-five years, except in the case of [~~maritime~~]:

5 (A) Maritime and maritime-related operations, which
6 may provide for a maximum term of seventy years;
7 and

8 (B) Aquaculture operations, which may provide for a
9 maximum term of sixty-five years; provided that
10 aquaculture operations in good standing may be
11 given the right of first refusal and may seek to
12 renew a lease issued under this section and may,
13 during the lease term, engage in supportive
14 activities that are related to or integrated with
15 aquaculture; and

16 (3) The method of disposition of public lands for cattle
17 feed production as set forth in this subsection shall
18 not apply after December 31, 1988.

19 For the purposes of this subsection:

20 "Agricultural processing" means the processing of
21 agricultural products, including dairying, grown, raised, or
22 produced in Hawaii.



1 "Airport-related" means a purpose or activity that requires
2 air transportation to achieve that purpose or activity.

3 "Aquaculture" means the propagation, cultivation, or
4 farming of aquatic plants and animals in controlled or selected
5 environments for research, commercial, or stocking purposes, and
6 includes aquaponics and subordinate uses such as growing plants
7 with aquaculture effluents, including taro and forage, and the
8 raising of animals grown on forage.

9 "Maritime-related" means a purpose or activity that
10 requires and is directly related to the loading, off-loading,
11 storage, or distribution of goods and services of the maritime
12 industry."

13 SECTION 5. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

Commercial Aquaculture Leases

Description:

Increases lease terms for aquaculture operations from thirty-five to sixty-five years. Permits aquaculture lessees in good standing the right of first refusal. Allows for supportive aquaculture activities. Allows the Department of Transportation to designate unused or underused public lands to be used for purposes of aquaculture. Effective July 1, 2050. (SB1511 HD1)

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

