
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.

8 Project financing and private-sector investment require
9 sufficient lease terms for ventures to reach economic viability.
10 Federally guaranteed loans for aquaculture enterprises are
11 available for loan terms up to forty years, but some require
12 applicants to have a lease with at least five years remaining
13 past the term of the loan, thus requiring a minimum of forty-
14 five years. Other federally guaranteed loans require a lease at
15 least fifty per cent longer than the term of the loan which, in
16 the case of a forty-year loan, translates to a minimum of sixty
17 years.



1 The purpose of this Act is to encourage commercial
2 aquaculture production in the State by providing favorable terms
3 for leasing 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 aquaculture and may enter
5 into agreements to authorize the department of land and natural
6 resources or the department of agriculture to dispose of
7 designated lands in any manner consistent with the use of lands
8 for aquaculture, as authorized by law.

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

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

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



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

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

10 "**§171-3 Department of land and natural resources.** (a)
11 The department of land and natural resources shall be headed by
12 an executive board to be known as the board of land and natural
13 resources. The department shall manage, administer, and
14 exercise control over public lands, the water resources, ocean
15 waters, navigable streams, coastal areas (excluding commercial
16 harbor areas), and minerals and all other interests therein and
17 exercise such powers of disposition thereof as may be authorized
18 by law. The department shall also manage and administer the
19 state parks, historical sites, forests, forest reserves, aquatic
20 life, aquatic life sanctuaries, public fishing areas, boating,
21 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 aquaculture."

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

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

19 (1) The disposition encourages competition within the
20 aeronautical, airport-related, agricultural,
21 aquaculture, maritime, and maritime-related
22 operations;



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

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

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

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

16 For the purposes of this subsection:

17 "Agricultural processing" means the processing of
18 agricultural products, including dairying, grown, raised, or
19 produced in Hawaii.

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

1 "Aquaculture" means the propagation, cultivation, or
2 farming of aquatic plants and animals in controlled or selected
3 environments for research, commercial, or stocking purposes,
4 including aquaponics or any growing of plants or animals with
5 aquaculture effluents.

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

10 SECTION 5. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 6. This Act shall take effect on July 1, 2030.

Report Title:

Commercial Aquaculture Leases

Description:

Increases the lease terms for aquaculture operations from 35 to 65 years. Authorizes the Department of Land and Natural Resources (DLNR) to designate any unused or underused DLNR public lands for aquaculture. Allows DLNR to exercise power over lands designated by the Department of Transportation to be used for aquaculture. Allows for supportive aquaculture activities. Defines "aquaculture" under Section 171-59(b), Hawaii Revised Statutes. Effective July 1, 2030. (SB1511 HD2)

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

