

STAND. COM. REP. NO. 1569

Honolulu, Hawaii

April 8, 2011

RE: S.B. No. 1511  
S.D. 1  
H.D. 2

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1511, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AQUACULTURE,"

begs leave to report as follows:

The purpose of this bill is to encourage commercial aquaculture production in the State by:

- (1) Increasing the maximum term for aquaculture leases, from 35 to 65 years;
- (2) Allowing aquaculture operations in good standing to be given the right of first refusal, seek to renew a lease, and during the lease term, engage in supportive activities that are related to or integrated with aquaculture;
- (3) Authorizing the Department of Land and Natural Resources (DLNR) to:
  - (A) Designate any unused or underused DLNR public lands for aquaculture;

SB1511 HD2 HSCR FIN HMS 2011-3695



- (B) Enter into agreements to authorize DLNR or the Department of Agriculture (DOA) to dispose of designated lands in a manner consistent with the use of lands for aquaculture; and
- (C) Exercise any power granted to it over lands designated by the Department of Transportation (DOT) for aquaculture;

and

- (4) Adding a definition of "aquaculture" to the public lands laws.

Hawaii Aquaculture and Aquaponics Association; East Oahu County Farm Bureau; Marine AgriFuture, LLC.; Oceanic Institute; Keahole Point Fish LLC; Hawaii Oceanic Technology, Inc.; Deep Blue Research; Hawaii Farm Bureau Federation; and numerous concerned individuals supported this bill. DLNR, DOT, Food & Water Watch, Ka Honua Momona International, Keoua Honaunau Canoe Club, Kohala Ranch Community Association, Kohala by the Sea, residents of Kahala Estates, Kailapa Community Association, South Kohala Hawaiian Civic Club, and numerous individuals opposed this measure. DOA and the Office of Hawaiian Affairs commented on this measure.

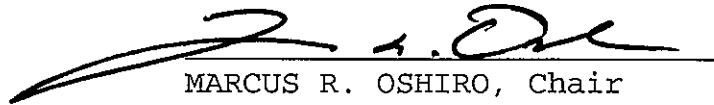
Your Committee has amended this bill by:

- (1) Deleting the provision authorizing aquaculture operations in good standing to be given the right of first refusal for public lands leases;
- (2) Amending the definition of "aquaculture" to exclude raising animals grown on forage presumably grown using aquaculture effluents. As amended, the definition will include propagating, cultivating, and farming of aquatic plants and animals, including aquaponics or any process of growing plants or animals in aquaculture effluents;
- (3) Changing its effective date to July 1, 2030, to facilitate continued discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1511, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1511, S.D. 1, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
MARCUS R. OSHIRO, Chair



