



Written Statement of
Robbie Melton
Executive Director & CEO
Hawaii Technology Development Corporation
before the
House Committee on Finance
Wednesday, February 21, 2018
2:00 p.m.
State Capitol, Conference Room 308

In consideration of
HB1960, HD1
RELATING TO AQUACULTURE

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

The Hawaii Technology Development Corporation (HTDC) **supports** HB1960, HD1 that appropriates funds to support the planning and participation of the Hawaii aquaculture industry in the Aquaculture America 2020 conference.

As part of HTDC's vision to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by 2030, HTDC supports initiatives aimed at promoting technology and innovation jobs. Hawaii has a history of success with aquaculture and the Hawaii Small Business Innovation Research (HSBIR) program and has a world class research facility at NELHA.

HTDC defers to HSDC on the implementation of this measure.

HTDC supports this initiative as long as it does not replace our priorities requested in the Executive Budget. HTDC respectfully requests correction of the defective effective date. Thank you for the opportunity to offer these comments.

DAVID Y. IGE
Governor

DOUGLAS S. CHIN
Lt. Governor



SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

**TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE HOUSE COMMITTEE ON FINANCE

**FEBRUARY 21, 2018
2:00 P.M.
CONFERENCE ROOM 308**

**HOUSE BILL NO. 1960 HD1
RELATING TO AQUACULTURE**

Chairperson Luke and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 1960 HD1, relating to aquaculture. This bill provides funds to the Hawaii Strategic Development Corporation (HSDC) in the Department of Business, Economic Development, and Tourism (DBEDT) for the planning and participation of the Hawaii aquaculture industry in the Aquaculture America 2020 Conference to be held in Honolulu. The Department supports this bill provided it does not impact the Department's priorities listed in the Executive Budget.

Currently, aquaculture has surpassed fisheries in providing the amount of seafood consumed globally. Countries like Norway, China, Canada, and Chile put great emphasis on aquaculture development to meet the growing demand for high-quality animal protein. Hawaii has the geographic and environmental features to support being a leader in the aquaculture industry. Continued support of aquaculture development will increase Hawaii's food self-sufficiency and contribute economically through job creation.

Appropriating funds to support the planning and participation in Aquaculture America 2020 is an opportunity to showcase Hawaii's aquaculture industry to a global audience and bring international expertise on industry issues to local stakeholders. The Department plans to partner with HSDC to support this world renown conference.

Thank you for the opportunity to testify on this measure.





**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Website: dbedt.hawaii.gov

Telephone: (808) 586-2355
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Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON FINANCE

Wednesday, February 21, 2018
2:00 p.m.
State Capitol, Conference Room 308

in consideration of

HB 1960, HD1
RELATING TO AQUACULTURE.

Chair Luke, and Vice Chair Cullen, and Members of the Committee on Finance.

The Department of Business, Economic Development & Tourism (DBEDT) supports the intent of HB 1960, HD1, which appropriates \$300,000 for the planning and participation at the World Aquaculture Society meeting in Honolulu in February 2020, so long as it does not displace Administration priorities.

Hawaii can capitalize on the commercial opportunity in the global aquaculture industry by raising its global visibility in marine aquaculture, through this conference.

Thank you for the opportunity to testify.



NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

An Authority of the State of Hawaii attached to the Department of Business, Economic Development & Tourism



Written Only

Statement of
Gregory P. Barbour
Executive Director
Natural Energy Laboratory of Hawaii Authority
before the

HOUSE COMMITTEE ON FINANCE

Wednesday, February 21, 2018
2:00 pm
State Capitol, Conference Room 308

in consideration of

HB 1960 H.D.1 RELATING TO AQUACULTURE.

The Natural Energy Laboratory of Hawaii Authority (NELHA) strongly supports the intent of HB 1960 H.D.1 which appropriates \$300,000 to the Hawaii Strategic Development Corporation to support the planning and participation at the World Aquaculture Society meeting in Honolulu in February 2020 so long as it does not displace Administration priorities. This measure makes good business sense.

NELHA and HSDC hosted an Aquaculture Industry Summit in November 2017 to bring Hawaii's industry stakeholders together to learn about global investment trends in the industry and to discuss potential strategies for Hawaii to capitalize on its competitive strengths to be a leading region in the global aquaculture industry. There was extremely strong support for this effort and showing the world what Hawaii has to offer at the 2020 meeting.

Making every effort to "put our best foot forward" in this regard at the 2020 event is certainly a step in the right direction. The global aquaculture industry is poised for a sustained

period of growth and expansion. Hawaii is home to both pioneering industry research efforts and commercial activities that have made significant contributions to the global industry. If Hawaii is to capitalize on the commercial opportunity in the global aquaculture industry it will have to undertake a concerted and collaborative effort to raise its global visibility in marine aquaculture.

Thank you for the opportunity to offer these comments.



**HAWAII
STRATEGIC
DEVELOPMENT
CORPORATION**

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P.O. Box 2359
Honolulu, Hawaii 96804
Telephone: (808) 587-3830

Statement of
Karl K. Fooks
President

Hawaii Strategic Development Corporation

Before the
HOUSE COMMITTEE ON FINANCE

Wednesday, February 21, 2018
2:00 PM
State Capitol, Conference Room 308

In support of

HB 1960 HD1
RELATING TO AQUACULTURE

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance:

The Hawaii Strategic Development Corporation (HSDC) **supports** HB 1960 HD1, which appropriates funds to support the planning and participation of the Hawaii aquaculture industry in the Aquaculture America 2020 conference.

Aquaculture America is the largest aquaculture trade show in the Western Hemisphere with nearly 200 booths and over 2,000 attendees in recent years. The U.S. Aquaculture Society joins with National Aquaculture Association and the Aquaculture Suppliers Association to produce the annual Aquaculture America meetings. These groups have already committed to hold their 2020 conference at the Hawaii Convention Center in February 2020.

HSDC has identified Hawaii's aquaculture industry as a strategic development priority and is working with the various stakeholder groups to develop a unified effort to promote Hawaii's aquaculture industry to global investors and collaborators.

In November 2017, HSDC organized the Hawaii Statewide Aquaculture Summit to bring all the industry stakeholders together to discuss strategies to grow and develop this industry. Among other initiatives, the participants agreed that an active promotional effort and participation by the Hawaii aquaculture industry at the upcoming America Aquaculture 2020 Conference would be an important catalyst to promote Hawaii's industry to the global aquaculture industry.

The local Steering Committee for this conference recently met with the conference organizer and discussed the need to hold a series of events and meetings over the next 18 months to organize and plan the participation of the Hawaii aquaculture

industry in the conference, develop descriptive materials on the aquaculture companies, activities and assets in the State of Hawaii to distribute to conference attendees, and to create promotional events that will showcase the industry ahead of and during the conference. The requested funding will allow HSDC to coordinate the industry's efforts to undertake these efforts.

HSDC supports the bill as long as it does not adversely impact the Administration's revenue and budget priorities.

Thank you for the opportunity to provide testimony.



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

February 21, 2018

HEARING BEFORE THE
HOUSE COMMITTEE ON FINANCE

TESTIMONY ON HB 1960, HD1
RELATING TO AQUACULTURE

Room 308
2:00 PM

Aloha Chair Luke, Vice Chair Cullen, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

The Hawaii Farm Bureau supports HB 1960, HD1, which appropriates funds to support the planning and participation of the Hawaii aquaculture industry upcoming Aquaculture America 2020 Conference.

Aquaculture is a major growth industry worldwide. In Hawaii, annual aquaculture production has exceeded \$75 million a year since 2014, making aquaculture one of the largest components of Hawaii's diversified agriculture by wholesale value and creating approximately 400 jobs in this highly technical industry. Hawaii's warm climate, midocean location, demand for seafood products, and strong technical and transportation infrastructures are advantages that create potential for substantial further growth.

The Aquaculture America 2020 Conference is expected to attract more than 2,000 attendees and will include the largest aquaculture trade show in the western hemisphere, with booths featuring the latest technical innovations in aquaculture production. The conference will be an ideal venue to showcase Hawaii's advantages to an interested audience which will include established aquaculture businesses and potential investors. The funding proposed by HB 1960, HD1 will support efforts, begun last November with the statewide Aquaculture Industry Summit at NELHA in Kailua-Kona, to bring together the Hawaii aquaculture industry to promote Hawaii as a strong candidate for increased aquaculture investment. If successful, these efforts will result in greater investment, increased food self-sufficiency, and more "green" jobs for Hawaii. We therefore encourage your Committee to support the funding proposed by HB 1960, HD1.

Thank you for this opportunity to provide our input on this measure.

HB-1960-HD-1

Submitted on: 2/20/2018 1:57:43 PM

Testimony for FIN on 2/21/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

**PRESENTATION OF THE
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES**

DEMOCRATIC PARTY OF HAWAI'I

TO THE COMMITTEE ON FINANCE

THE HOUSE OF REPRESENTATIVES

TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

Wednesday, February 21, 2018

2:00 p.m.

Hawaii State Capitol, Conference Room 308

RE: Testimony in Support of HB 1960 HD1 RELATING TO AQUACULTURE

To the Honorable Sylvia Luke, Chair; the Honorable Ty J.K. Cullen, Vice-Chair, and Members of the Committee on Finance:

Good afternoon, my name is Melodie Aduja. I serve as Chair of the Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on House Bill No. 1960 HD1, relating to appropriating funds to support the planning and participation of the Hawaii aquaculture industry in the Aquaculture America 2020 conference.

The OCC Legislative Priorities Committee is in favor of House Bill No. 1960 and support its passage. House Bill No. 1960 HD1, is in alignment with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it appropriates funds to support the planning and participation of the Hawaii aquaculture industry in the Aquaculture America 2020 conference.

Specifically, the DPH Platform states, "Agriculture in our state must be preserved and its future strengthened. Sufficient prime agricultural lands must be maintained for the health, economic well-being and sustenance of the people. We believe in an integrated approach to agricultural innovation and sustainability. We encourage the responsible development of ocean resources in order to achieve sustainability of our marine resources and ensure and improve the health of our reef and marine life.

This approach includes, but not limited to, the adoption of the native Hawaiian concept of ahupua'a, an integrated approach to land management. This could also include the development of economic, land and ocean use policies that foster sustainable corps both for local consumption and for export policies to foster agriculture-related infrastructure at shipping points, and increased inspection to protect against invasive species and to encourage reduced holding times.

Recognizing the importance of the ocean as a life-sustaining resource, we must protect its ecological balance while promoting the cultivation fo ocean resources as a step toward greater self-sufficiency.

To ensure wise use and equitable distribution of our precious water, we must stress water conservation and alternative patterns of water treatment and consumption such as the use of recycled water for irrigation, water storage reservoirs, and the use of catchment systems by the public.

As an island state, securing affordable food for all is a priority. We support healthy, sustainable, and diversified local food production, and "Buy Local" strategies to assure greater food security and food safety. (Platform of the DPH, P. 2, Lines 76-86, 90-99 (2016)).

Given that House Bill No. 1960 HD1 provides for the planning and participation of the Hawaii aquaculture industry in the Aquaculture America 2020 conference, of which will lead to a more diversified economy and by creating more diversified jobs, it is the position of the OCC Legislative Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativepriorities@gmail.com, Tel.: (808) 258-8889



Email: communications@ulupono.com

HOUSE COMMITTEE ON FINANCE
Wednesday, February 21, 2018 — 2:00 p.m. — Room 308

Ulupono Initiative Strongly Supports HB 1960 HD 1, Relating to Aquaculture

Chair Luke, Vice Chair Cullen, and Members of the Committee:

My name is Kyle Datta and I am General Partner of Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and better management of waste and fresh water. Ulupono believes that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono strongly supports HB 1960 HD 1, which appropriates funds for the Aquaculture America 2020 conference, because it aligns with our goal of creating more locally produced food.

If Hawai'i is to capitalize on the commercial opportunity in our nation's aquaculture industry, it will have to undertake a concerted and collaborative effort to raise its visibility.

This conference is a great way to showcase the companies, projects, and research conducted by Hawai'i's aquaculture sector to the rest of the nation. It can encourage investors and project developers to look to Hawai'i as a viable place for aquaculture-related endeavors. With our location and ocean resources, Hawai'i can be at the forefront of our nation's aquaculture industry, a sector that has grown considerably over the last five years.

NELHA already has the office space and commercial expansion footprint to attract entrepreneurs and venture capital to the site. The proposed aquaculture incubator at NELHA will address this need by establishing a facility that will leverage NELHA's world-class marine resources and its strong base of global aquaculture companies, to attract entrepreneurs and investors to startup their companies here in Hawai'i.

As Hawai'i's local food issues become more complex and challenging, organizations need additional resources and support to address and overcome them. We appreciate this committee's efforts to look at policies that support local food production.

Investing in a Sustainable Hawai'i



We believe that by collaborating, we can help produce more local food and support an economically robust homegrown agriculture industry, which strengthens our community with fresh, healthy food. Thank you for this opportunity to testify.

Respectfully,

Kyle Datta
General Partner

HB-1960-HD-1

Submitted on: 2/18/2018 10:16:18 AM

Testimony for FIN on 2/21/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Evan Lanigan	Los Angeles Organic Farm LLC	Support	No

Comments:

My name is Evan Lanigan and I am a certified organic hydroponics greenhouse produce farmer. As a farmer I am at the leading edge of hydroponics system engineering technology and I utilize the waste water, from aquaculture, as the choice source of organic nutrients for my crops. I searched for an ideal location to display my companies disruptive technology and discovered NELHA host lab. I was informed of the state sponsored aquaculture conference, so I attended and was informed by COO (Jan?) that an incubator, for technology like mine, was in the development process. As well they had Concentrated Solar Power equipment from a previous project that I could obtain for research. As it's become known methane produced from aquaculture waste solids , discharged into an anerobic digester can be the source gas for a syn gas production. So you understand it's basically making jet fuel from aquaculture waste. There's no where else in the world that has the existing infrastructure and collective experience like NELHA. By continuing to provide financial support to NELHA for projects like the aquaculture incubator you continue to attract projects on the leading edge of technology. Thank you for your support! Aloha!



**FRESH
ISLAND
FISH^{co}**

Fresh Island Fish Co Inc.

1135 N Nimitz Hwy
Honolulu, HI, 96817
Ph: 808-831-4911
Fax: 808-836-8762

RE: House Bill HB1960

Aloha my name is Crystal Johnson. My family's company is Fresh Island Fish. We are the largest wholesale seafood company in Hawaii, having been in business for over 40 years. My father, Bruce Johnson, founded Fresh Island Fish and I am representing the second generation of our family company.

Fresh Island Fish has been engaged in commercial and research aquaculture since 2008. I've been in the family industry all my life and currently head the aquaculture development and sustainability program.

We are in full support of aquaculture development in Hawaii. **HB 1960**, which is to be used to support the planning and coordination of the upcoming Aquaculture America 2020 Conference will be Hawaii's opportunity to raise its visibility in this industry.

It is my feeling that aquaculture as an industry has never been as well positioned as it is now to take root and thrive in Hawai'i and that state funding and resources are critical for this emerging industry right now.

We at Fresh Island Fish believe it's in the states' best interest to appropriate funds for developing this industry as it's only a matter of time when aquaculture will become a necessity and not just an alternative as the demand for seafood grows in Hawai'i and throughout the world.

Sincerely,
Crystal Johnson
Aquaculture Development
crystal@freshislandfish.com
www.freshislandfish.com
Cell: 808.281.9962

HB-1960-HD-1

Submitted on: 2/18/2018 8:59:44 AM

Testimony for FIN on 2/21/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Sarver	Individual	Support	No

Comments:

The U.S. has been left in the dust while the rest of the world develops aquaculture. We have a seafood trade deficit of over 10 billion \$. This makes no sense as we have oceans surrounding our country. Hawaii is especially well suited to expand our industry. Hawaii has developed the technology for commercialization but it is being exported to other countries. Hawaii needs to support this industry and this bill could help.

HB-1960-HD-1

Submitted on: 2/18/2018 9:38:59 AM

Testimony for FIN on 2/21/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Katz	Individual	Support	No

Comments:

I strongly support HB1960 HD1. Aquaculture is an emerging industry of great potential for Hawaii and this bill will give it a huge boost. It's a small amount of money that will have a great impact for the state. Please vote in favor of it.

Thank you

David Katz

Kauai

HB-1960-HD-1

Submitted on: 2/18/2018 3:00:06 PM

Testimony for FIN on 2/21/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Julien Stevens	Individual	Support	No

Comments:



Committee on Finance

Rep. Sylvia Luke, Chair

Rep. Ty J.K. Cullen, Vice Chair

February 19, 2018

Support for H.B. 1960 Relating to Aquaculture

Blue Ocean Mariculture is the world's leading producer of cultivated Kahala (*Seriola rivoliana*). Our fish are served under the Hawaiian Kanpachi brand in sushi and fine dining restaurants in Hawaii and across the mainland United States. We employ 27 people full-time in the Kona area in our hatchery and offshore aquaculture operations.

We strongly support H.B. 1960 relating to the planning and participation of Hawaii's aquaculture's industry in the World Aquaculture Society's Aquaculture America 2020.

2020 brings an excellent opportunity to showcase Hawaii's aquaculture assets, talents and successes when one of the world's largest aquaculture trade shows is hosted in our state. Raising Hawaii's visibility in the global aquaculture industry is an important step to building the aquaculture industry to be a strong, positive component of Hawaii's economy. Aquaculture provides an opportunity to strengthen our state's economy by diversifying our economic base, reducing the amount of seafood imported to Hawaii, and creating high-wage job opportunities.

We believe there is significant potential for Hawaii to contribute to the global aquaculture industry and providing positive economic benefit to our local community. We believe the best way to pursue this potential is through the type of program contemplated by H.B. 1960. Thank you for the opportunity to testify.

Blue Ocean Mariculture

HB-1960-HD-1

Submitted on: 2/19/2018 4:51:34 PM

Testimony for FIN on 2/21/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ronald Weidenbach	Individual	Support	No

Comments:

The Hawaii Aquaculture and Aquaponics Association strongly supports HB1960 which appropriates funds to help prepare Hawaii to maximize the benefits of the World Aquacultur Society (WAS)'s Aquaculture America Conference coming to Hawaii in 2020. The HAAA was a part of the collaborative effort to bring this important national and regional industry meeting to Hawaii and is part of the Steering Committee to help ensure that our State and the local aquaculture industry gain maximum exposure and business and technical benefit from this exciting event. To do so will take significant planning and preparation. With the loss of the important Hawaii Aquaculture Development Program (ADP) since the last WAS conference was held in Hawaii in 2004,,a coalition of several State agencies and,groups will now need to pull together to prepare Hawaii for this event. The requested funds will help support this collaborative effort. Thank you for your consideration of this request..

House Committee on Finance

Wednesday, February 21, 2018, 2:00 PM, Room 308

Re: HB 1960 HD 1 Relating to Aquaculture

Chair Luke and Vice Chair Cullen, my name is John Corbin. I am submitting testimony strongly in favor of HB 1960 HD 1.

Previously, until 2006, I had the privilege of managing the State Aquaculture Development Program for nearly 30 years. Since leaving State government, I have seen the Hawaii industry continue to diversify and expand to record levels of production value, hitting \$78.2 million in 2014 and where it is ranked the 6th largest industry in the country. Hawaii companies are known nationally and internationally for the innovative technologies used to produce: microalgae for nutraceuticals, Specific Pathogen Free shrimp, land-based abalone and oyster seed, high value koi carp and seahorses, and open ocean cage culture of kumpachi and our research and consulting communities have equivalent stature.

According to the United Nations, Food and Agriculture Organization, the looming 2030 gap (new supplies needed) in global seafood supplies must be filled by increased aquaculture production. In 2030 the estimate is two thirds of world seafood will come from aquaculture farming. Likewise, American seafood interests, Congress and the Federal government are recognizing that this country can't continue to rely on imported seafood - currently 91% of consumption - that is supplied by a chaotic, unstable supply chain that is subject to further disruption by global climate change and growing geopolitical risks. Fortunately, current U.S. seafood policy is domestic production must increase through rapid expansion of sustainable commercial aquaculture, particularly offshore farming.

With this context in mind, the Strategic Development Corporation, along with the Hawaii Aquaculture and Aquaponics Association, prominent members of the aquaculture community and Conference organizers have proposed the 2020 Aquaculture America Initiative to show case Hawaii's aquaculture assets and investment opportunities to the international audience attracted by the coming Aquaculture America meeting in Hawaii. I believe the timing of the collaborative Initiative is excellent and providing financial assistance to the coordinated effort will help assure the realization of many benefits to the State and the local industry.

Thank you for the opportunity to testify.

John S. Corbin MS, CFP, AICP

President

Aquaculture Planning & Advocacy LLC

Kaneohe, Hawaii

HB-1960-HD-1

Submitted on: 2/20/2018 7:35:35 AM

Testimony for FIN on 2/21/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Elizabeth Corbin	Individual	Support	No

Comments:

I strongly support this measure. Aquaculture, with its long tradition in Hawaii, is an important component of diversified agriculture and has the potential to expand its contribution to the State's economic development and food security objectives. Hosting an international aquaculture conference in Hawaii can highlight the State's achievements in this industry and improve prospects for export sales of products, international consulting opportunities, and investment in local development.

HB-1960-HD-1

Submitted on: 2/20/2018 9:19:10 AM

Testimony for FIN on 2/21/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Alexander Leonard	Individual	Support	No

Comments:

Aquaculture promises to be a tremendous growth industry worldwide over the next 20 years, and a vitally important one. Despite our island perception that Hawaii is doing well in this industry, the fact is that even amongst those "in the trade", our efforts are hardly known.

With the upcoming 2020 conference, will momentarily position iHawaii in the spotlight - with appropriate planning and funding, we can take advantage of that moment to plant and reinforce the idea that Hawaii truly is the best place in the world for developing the new technologies that will feed the world in the coming decades.

If we don't take advantage of this moment, it will pass and we'll be left wondering why the world is not beating a path to our door.

HB-1960-HD-1

Submitted on: 2/20/2018 10:50:15 AM

Testimony for FIN on 2/21/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Frederick M. Mencher	Individual	Support	No

Comments:



**PO Box 1095
Kurtistown, Hawaii
+1-808-938-2840
jim.wyban@gmail.com**

February 20, 2018

House Committee
Honolulu HI

RE: House Bill HB1960

Dear Committee,

I am writing in support of HB1960, which seeks to appropriate \$300,000 to HSDC to be used to support the planning and coordination of industry efforts to participate in the upcoming Aquaculture America 2020 Conference to be held in Honolulu in February 2020. This will be an important conference for Hawaii to put their best foot forward and continue our leadership position in this industry.

Funding would support industry events leading up to the 2020 conference to bring the industry together to develop a consistent message to market Hawaii aquaculture to the over 2,000 participants expected at the conference.

Funds could also support efforts to develop a fact book on Hawaii aquaculture that would provide a description the aquaculture assets available in Hawaii, the names and activities of companies operating in the industry, and the permitting and regulatory process for aquaculture activities. This fact book could be distributed to all the participants in the 2020 conference.

I wholeheartedly support this effort and ask that you approve this bill and support Hawaii's developing aquaculture industry.

Sincerely,

Jim

Jim Wyban PhD
President
Marine Genetics

29th Hawaii State Legislature
415 South Beretania St.
Honolulu, HI 96813

February 21, 2018

Dear Chairwoman Luke & House Finance Committee Members,

RE: Support for HB1960 – Relating to Aquaculture & HB2041 – Relating to Aquaculture

Cyanotech Corporation, based on the island of Hawaii, supports appropriations of \$300,000 from Hawaii's general revenue fund to support the planning and participation of the Aquaculture America 2020 Conference in Hawaii, as outlined in HB1960. We further support appropriations of \$500,000 from Hawaii's general revenue fund for the Department of Business, Economic Development, and Tourism (DBEDT) to establish an aquaculture incubator at the Natural Energy Laboratory of Hawaii Authority (NELHA), as outlined in HB2041. We believe that these incentives will help attract entrepreneurs and investors to develop Hawaii's aquaculture industry.

The Hawaii State Department of Agriculture's Aquaculture Development Program reported \$29.9M of aquaculture revenue in 2010, 93% of which was generated by businesses at NELHA. The aquaculture industry has boomed in recent years, increasing by 40% in one year from 2011 to 2012, with record high sales reported in 2014. This industry accounts for a peak number of 500 hired workers on payroll in 2016 and \$75.7M in sales. Aquaculture produces high quality value added commodities from Hawaii including nutritional supplements and foods.

In closing, we greatly appreciate your support of HB1960 and HB2041 which will help perpetuate new business, the growth of the aquaculture industry and the expansion of a diversified portfolio of high wage-earning jobs in Hawaii.

Sincerely,



Mawae Morton, CEO
Cyanotech Corporation
73-4460 Queen Kaahumanu Hwy, #102
Kailua-Kona, HI 96740



Hawaii Aquaculture Annual Release



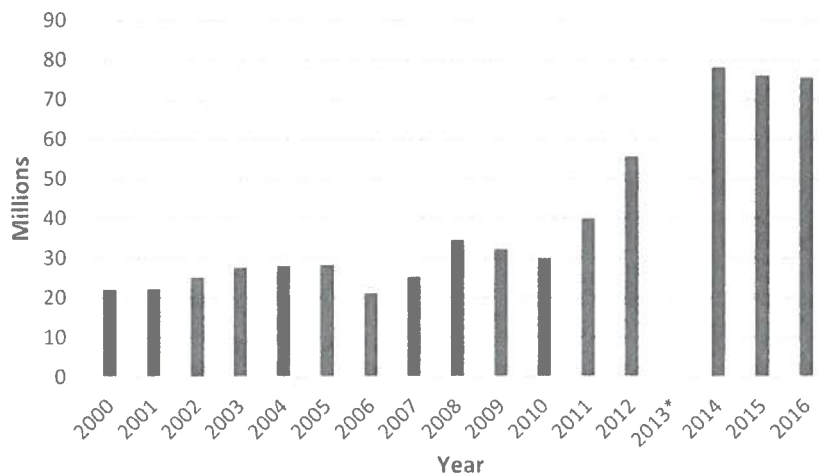
October 18, 2017

In Cooperation with the Hawaii Department of Agriculture
Hawaii Field Office · 300 Ala Moana Blvd Suite 7-118 · Honolulu, HI 96850 · 1-(800)-804-9514 · www.nass.usda.gov

2016 Aquaculture Sales in Hawaii Total \$75.7 Million

Hawaii aquaculture sales totaled \$75.7 million in 2016, slightly down from a year ago, according to USDA's National Agricultural Statistics Service. Algae sales were \$34.3 million and accounted for 45.4 percent of the total sales. The "Other" category includes the remaining value of sales, 54.6 percent of aquaculture sales. Aquaculture sales have been holding steady after a record high in 2014. The peak number of hired workers on the payroll was 500 for 2016, as reported by the producers.

AQUACULTURE
Value of Sales, State of Hawaii, 2000-2016



* 2013 value was collected by the Census of Aquaculture (www.agcensus.usda.gov/Publications/2012/Online_Resources/Aquaculture)

Hawaii Aquaculture: Farms, Workers, and Value, 2012-2016

Crop year	Farms	Peak number of workers	Value					Total
			Shellfish	Finfish	Algae	Ornamental	Other	
---- number ----		----- 1,000 dollars -----						
2012	70	NA	(D)	(D)	28,420	(D)	27,320	55,740
2013 ¹								
2014	NA	NA	(D)	(D)	33,086	(D)	45,155	78,241
2015	NA	406	(D)	(D)	33,808	(D)	42,426	76,234
2016	NA	500	(D)	(D)	34,349	(D)	41,361	75,710

(D) Withheld to avoid disclosing data and accounted for in "Other".

¹ 2013 Census of Aquaculture numbers not comparable.