
A BILL FOR AN ACT

RELATING TO AQUACULTURE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I

2 SECTION 1. The purpose of this Act is to transfer the
3 administrative attachment of the aquaculture development program
4 from the department of agriculture to the agribusiness
5 development corporation. This move will also provide the
6 aquaculture development program with the support of the
7 department of business, economic development, and tourism.

8 SECTION 2. Chapter 163D, Hawaii Revised Statutes, is
9 amended by adding a new part to be appropriately designated and
10 to read as follows:

11 "PART . AQUACULTURE

12 §163D-A Definitions. As used in this part:

13 "Aquaculture" means any form of agriculture devoted to the
14 propagation, cultivation, maintenance, and harvesting of aquatic
15 plants and animals in marine, brackish, and fresh water. The
16 term "aquaculture" does not include species of ornamental marine
17 or freshwater plants and animals that are not utilized for human



1 consumption or bait purposes and that are maintained in closed
2 systems for personal, pet industry, or hobby purposes.

3 "Executive director" means the executive director appointed
4 pursuant to section 163D-3.

5 "Person" means any natural person or any partnership,
6 corporation, limited liability company, trust, or other type of
7 association.

8 **§163D-B Aquaculture program.** (a) There is established
9 within the corporation an aquaculture program that shall:

- 10 (1) Monitor actions taken by industry and by federal,
11 state, county, and private agencies in activities
12 relating to aquaculture, and promote and support
13 worthwhile aquaculture activities;
- 14 (2) Serve as an information clearinghouse for aquaculture
15 activities;
- 16 (3) Coordinate development projects to investigate and
17 solve biological and technical problems involved in
18 raising selected species having commercial potential;
- 19 (4) Actively seek federal funding for aquaculture
20 activities;



1 (5) Undertake activities required to develop and expand
2 the aquaculture industry; and

3 (6) Perform other functions and activities that may be
4 assigned by law.

5 (b) The executive director may employ temporary staff
6 exempt from chapter 76 for the aquaculture program.

7 **§163D-C Fees for aquaculture services.** The corporation
8 may establish and assess fees pursuant to chapter 91 for:

9 (1) Aquatic animal and plant health diagnostic services;
10 and

11 (2) Any items or expert services purchased from the
12 corporation related to aquaculture planning,
13 aquaculture disease management, and the marketing of
14 seafood products;

15 provided that the assessment of these fees does not violate any
16 provisions of this chapter.

17 **§163D-D Aquaculture development special fund.** (a) There
18 is established in the state treasury the aquaculture development
19 special fund into which shall be deposited:

20 (1) Appropriations from the legislature;



- 1 (2) Moneys collected as fees for special microbiological
2 and histological procedures and expert
3 aquaculture-related services;
- 4 (3) Moneys collected from the sale of any item related to
5 aquaculture development that is purchased from the
6 corporation;
- 7 (4) Moneys directed to the aquaculture program from any
8 other sources, including but not limited to grants,
9 gifts, and awards; and
- 10 (5) Moneys derived from interest, dividend, or other
11 income from the above sources.
- 12 (b) Moneys in the aquaculture development special fund
13 shall be used to:
- 14 (1) Implement the aquatic disease management programs and
15 activities of the corporation, including the provision
16 of state funds to match federal grants; and
- 17 (2) Support research and development programs and
18 activities relating to the expansion of the state
19 aquaculture industry. Research and development
20 programs and activities funded under this paragraph
21 may be conducted by corporation personnel or through



1 contracts with the university of Hawaii or other
2 qualified persons.

3 **§163D-E Powers, duties, and activities of the corporation.**

4 (a) The business of aquaculture shall be governed by this part
5 and shall be exempt from any other provisions relating to the
6 harvesting, processing, and marketing of cultured aquatic life.

7 (b) Except as provided in this part, the business of
8 aquaculture processing, distribution, and marketing shall be
9 administered by the executive director.

10 (c) The executive director may enter into an agreement
11 with the chairperson of the board of land and natural resources,
12 the chairperson of the board of agriculture, or both for the
13 resolution of any conflict regarding jurisdiction that arises
14 under this part.

15 (d) Any costs incurred by the corporation in implementing
16 this part shall be recovered pursuant to this part.

17 **§163D-F Rulemaking authority.** The corporation shall adopt
18 rules pursuant to chapter 91 to effectuate the purpose of this
19 part."



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PART II

SECTION 3. Section 26-16, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

- "(c) The department shall:
- (1) Promote the conservation, development, and utilization of agricultural resources in the State;
 - (2) Assist the farmers of the State and any others engaged in agriculture by research projects, dissemination of information, crop and livestock reporting service, market news service, and any other means of improving the well-being of those engaged in agriculture and increasing the productivity of the lands; and
 - (3) Administer the programs of the State relating to animal husbandry, entomology, farm credit, development and promotion of agricultural products and markets, and the establishment and enforcement of the rules on the grading and labeling of agricultural products[~~+~~ and
 - ~~(4) Administer the aquaculture program under section 141-52]."~~



1 SECTION 4. Section 141-51, Hawaii Revised Statutes, is
2 amended by deleting the definition of "Chairperson".

3 [~~"Chairperson" means the chairperson of the board of~~
4 ~~agriculture."~~]

5 SECTION 5. Section 141-52, Hawaii Revised Statutes, is
6 repealed.

7 [~~§141-52] ~~Aquaculture program.~~ (a) ~~There is~~
8 ~~established within the department an aquaculture program that~~
9 ~~shall:~~~~

10 (1) ~~Monitor actions taken by industry and by federal,~~
11 ~~state, county, and private agencies in activities~~
12 ~~relating to aquaculture, and promote and support~~
13 ~~worthwhile aquaculture activities;~~

14 (2) ~~Serve as an information clearinghouse for aquaculture~~
15 ~~activities;~~

16 (3) ~~Coordinate development projects to investigate and~~
17 ~~solve biological and technical problems involved in~~
18 ~~raising selected species with commercial potential;~~

19 (4) ~~Actively seek federal funding for aquaculture~~
20 ~~activities;~~



1 ~~(5) Undertake activities required to develop and expand~~
2 ~~the aquaculture industry; and~~

3 ~~(6) Perform other functions and activities that may be~~
4 ~~assigned by law.~~

5 ~~(b) The chairperson may employ temporary staff exempt from~~
6 ~~chapter 76 for the aquaculture program."]~~

7 SECTION 6. Section 141-53, Hawaii Revised Statutes, is
8 repealed.

9 ~~["**§141-53 Fees for aquaculture services.** The department~~
10 ~~of agriculture may establish and assess fees pursuant to~~
11 ~~chapter 91 for:~~

12 ~~(1) Aquatic animal and plant health diagnostic services;~~
13 ~~and~~

14 ~~(2) Any items or expert services purchased from the~~
15 ~~department related to aquaculture planning,~~
16 ~~aquaculture disease management, and the marketing of~~
17 ~~seafood products;~~

18 ~~provided that the assessment of these fees does not violate any~~
19 ~~provisions of this chapter."]~~

20 SECTION 7. Section 141-54, Hawaii Revised Statutes, is
21 repealed.



1 ~~["**§141-54** Aquaculture development special fund.~~ (a)

2 ~~There is established in the state treasury the aquaculture~~
3 ~~development special fund into which shall be deposited:~~

4 ~~(1) Appropriations from the legislature;~~

5 ~~(2) Moneys collected as fees for special microbiological~~
6 ~~and histological procedures and expert~~
7 ~~aquaculture-related services;~~

8 ~~(3) Moneys collected from the sale of any item related to~~
9 ~~aquaculture development that is purchased from the~~
10 ~~department;~~

11 ~~(4) Moneys directed to the aquaculture program from any~~
12 ~~other sources, including but not limited to grants,~~
13 ~~gifts, and awards; and~~

14 ~~(5) Moneys derived from interest, dividend, or other~~
15 ~~income from the above sources.~~

16 ~~(b) Moneys in the aquaculture development special fund~~
17 ~~shall be used to:~~

18 ~~(1) Implement the aquatic disease management programs and~~
19 ~~activities of the department, including the provision~~
20 ~~of state funds to match federal grants; and~~



1 ~~(2) Support research and development programs and~~
2 ~~activities relating to the expansion of the state~~
3 ~~aquaculture industry. Research and development~~
4 ~~programs and activities funded under this paragraph~~
5 ~~may be conducted by department personnel or through~~
6 ~~contracts with the University of Hawaii or other~~
7 ~~qualified persons."]~~

8 SECTION 8. Section 141-55, Hawaii Revised Statutes, is
9 repealed.

10 ~~["~~§141-55~~ Powers, duties, and activities of the~~
11 ~~department. (a) The business of aquaculture shall be governed~~
12 ~~by this part and shall be exempt from any other provisions~~
13 ~~relating to the harvesting, processing, and marketing of~~
14 ~~cultured aquatic life.~~

15 ~~(b) Except as provided in this part, the business of~~
16 ~~aquaculture processing, distribution, and marketing shall be~~
17 ~~administered by the chairperson.~~

18 ~~(c) The chairperson may enter into an agreement with the~~
19 ~~chairperson of the board of land and natural resources for the~~
20 ~~resolution of any conflict regarding jurisdiction that arises~~
21 ~~under this part.~~



1 ~~(d) Any costs incurred by the department in implementing~~
2 ~~this part shall be recovered pursuant to this part."]~~

3 PART III

4 SECTION 9. Any unencumbered balance remaining in the
5 aquaculture development special fund repealed by section 5 of
6 this Act shall be transferred to the credit of the aquaculture
7 development special fund established by section 1 of this Act.

8 SECTION 10. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$ or so much
10 thereof as may be necessary for fiscal year 2023-2024 and the
11 same sum or so much thereof as may be necessary for fiscal year
12 2024-2025 for the establishment of the Wilikina hatchery and
13 education center.

14 The sums appropriated shall be expended by the agribusiness
15 development corporation for the purposes of this Act.

16 SECTION 11. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$ or so
18 much thereof as may be necessary for fiscal year 2023-2024 and
19 the same sum or so much thereof as may be necessary for fiscal
20 year 2024-2025 for the establishment of the Mokuleia aquaculture
21 innovation center.



1 The sums appropriated shall be expended by the agribusiness
2 development corporation for the purposes of this Act.

3 SECTION 12. All rights, powers, functions, and duties of
4 the department of agriculture relating to the amendments made by
5 part II of this Act are transferred to the agribusiness
6 development corporation.

7 All employees who occupy civil service positions and whose
8 functions are transferred to the agribusiness development
9 corporation by this Act shall retain their civil service status,
10 whether permanent or temporary. Employees shall be transferred
11 without loss of salary, seniority (except as prescribed by
12 applicable collective bargaining agreements), retention points,
13 prior service credit, any vacation and sick leave credits
14 previously earned, and other rights, benefits, and privileges,
15 in accordance with state personnel laws and this Act; provided
16 that the employees possess the minimum qualifications and public
17 employment requirements for the class or position to which
18 transferred or appointed, as applicable; provided further that
19 subsequent changes in status may be made pursuant to applicable
20 civil service and compensation laws.



1 Any employee who, prior to this Act, is exempt from civil
2 service and is transferred as a consequence of this Act may
3 retain the employee's exempt status, but shall not be appointed
4 to a civil service position as a consequence of this Act. An
5 exempt employee who is transferred by this Act shall not suffer
6 any loss of prior service credit, vacation or sick leave credits
7 previously earned, or other employee benefits or privileges as a
8 consequence of this Act; provided that the employees possess
9 legal and public employment requirements for the position to
10 which transferred or appointed, as applicable; provided further
11 that subsequent changes in status may be made pursuant to
12 applicable employment and compensation laws. The executive
13 director of the agribusiness development corporation may
14 prescribe the duties and qualifications of these employees and
15 fix their salaries without regard to chapter 76, Hawaii Revised
16 Statutes.

17 SECTION 13. All appropriations, records, equipment,
18 machines, files, supplies, contracts, books, papers, documents,
19 maps, and other personal property heretofore made, used,
20 acquired, or held by the department of agriculture relating to
21 the functions transferred to the agribusiness development



1 corporation shall be transferred with the functions to which
2 they relate.

3 SECTION 14. In codifying the new sections added by
4 section 2 of this Act, the revisor of statutes shall substitute
5 appropriate section numbers for the letters used in designating
6 the new sections in this Act.

7 SECTION 15. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 16. This Act shall take effect on July 1, 2050.



Report Title:

ABDC; HDOA; Aquaculture; Appropriation

Description:

Transfers the aquaculture program from the Department of Agriculture to the Agribusiness Development Corporation. Appropriates moneys. Effective 7/1/2050. (SD1)

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