

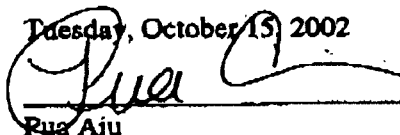
**Office of Hawaiian Affairs
ACTION ITEM**

Action Item Code: PP-26

Meeting: Committee on Policy and Planning

Date: Tuesday, October 15, 2002

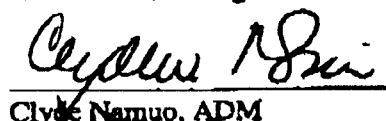
Prepared by:


Rua Aju Date 10/8/02

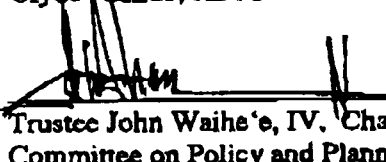
Reviewed by:

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Jalna Keala, Acting Director, HRD Date

Reviewed by:


Clyde Namuo, ADM Date OCT - 9 2002

Reviewed by:


Trustee John Waihe'e, IV, Chair Date 10-19
Committee on Policy and Planning

I. Action

To declare it to be OHA policy to encourage Native Hawaiians to become involved to the fullest and highest extent possible in off-shore fish farming.

II. Issue

Whether to issue a policy statement supporting Native Hawaiian involvement in off-shore fish farming.

III. Discussion

In September 2002, the State signed its first lease of submerged lands for fish farming purposes to Cates International which leases 28 acres off-shore of Ewa to raise *moi* (pacific threadfin). Today, they raise about 5,000 fish a week for local, mainland and international markets (see attached article).

At its September 2002 meeting, the Land Committee heard two additional proposals for fish cage projects in Kona and Kohala. One project will raise yellow-fin and big-eye tuna off of Kawaihae, and the other will experiment with fish hatchery technology off of Keahole.

Fish farming is a potentially lucrative business encouraged by the state. As submerged lands are ceded lands, OHA is entitled to a pro-rata portion of the lease revenues generated by fish farming activities (§190D-33). However, the much broader question is, "How much of the resources of the ocean are Hawaiians entitled to?" This question has never been answered. Part of the policy proposed here will be to work toward a resolution of this question to the satisfaction of OHA beneficiaries.

Actions as a result of this policy.

Institution of this policy will require follow-up at several levels on the part of OHA administration and staff. Follow up should include:

1. The Administrator should contact the chair of the Board of Land and Natural Resources. Together they should work out a) the total acreage the State intends to lease for fish farming, b) the number of fish farms that should be set aside for Native Hawaiians, or for fish farms with a substantial Native Hawaiian interest, c) proportion of lease rent owed to OHA.
Timeline: Initial steps should be accomplished no later than February 28, 2003.
OHA Strategic Plan: Culture, Goal 2, Strategy 1
2. Development of an in-house entrepreneurial program targeted toward involving Native Hawaiians in the development of fish farms.
Timeline: Initial steps should be accomplished no later than March 30, 2003
OHA Strategic Plan: Economic Development, Goal 3, Strategy 1.
3. Development of Legislation promoting Native Hawaiian interest in off-shore fish farming.
Timeline: Evaluate for necessity for 2003 Legislature
OHA Strategic Plan: Goal 1, Strategy 1.
4. Administrative Staff should seek Federal grants to complement the entrepreneurship programs in number (2) above. Community partnerships to implement the grants should also be sought.
Timeline: A grant should be submitted within two years of the passing of this policy.
OHA Strategic Plan: Goal 3, Strategy 2.
5. Creation of an ad-hoc committee to address the issue of Native Hawaiian rights to ocean resources.
Timeline: Committee should be formed within 6 months of this policy passing.
OHA Strategic Plan: Goal 3, Strategy 1.
6. Other actions as necessary.

Strategic Plan

By its approval of the Strategic Plan for the Office of Hawaiian Affairs, the OHA Board of Trustees has listed as a priority goal, Economic Development (Goal 3), to protect, re-establish and enhance Hawaiian cultural assets by the year 2007. Strategy 1 specifically States that OHA will

Create substantive policies and institutional support to assure economic solvency for native Hawaiians, and OHA Economic Development Programs and the Native Hawaiian Revolving Loan Fund.

Individual actions may also encompass other goals and strategies.

IV. Alternatives

1. Support an OHA policy to encourage Native Hawaiians to become involved to the fullest and highest extent possible in off-shore fish farming.
2. Support a policy to oppose fish farming.
3. Take no action.

V. Recommendation

Support an OHA policy to encourage Native Hawaiians to become involved to the fullest and highest extent possible in off-shore fish farming.

VI. Funding

No funding is attached to this policy statement. However, individual actions may require funding and should be presented to the appropriate committees.

VII. Timeframe

See discussion section above. Most activities will be ongoing. Staff should provide an annual report of activities undertaken to further this policy.

VIII. Attachments

- Honolulu Advertiser Article, "Ocean fish farm thriving."
- HRS §190D-21 Leasing of state marine waters and submerged lands for private uses
- HRS §171-53 Reclamation and disposition of submerged or reclaimed public land.
- HRS §190D-33 Revenues
- HRS 190D-23 Lease Provisions