#### A BILL FOR AN ACT

RELATING TO AGRICULTURAL LANDS.

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

1 SECTION 1. (a) The purpose of this Act is to establish 2 new policies regarding the districting and protection of land in state agricultural districts. Under this Act, all lands in 3 agricultural districts are designated "important agricultural 4 5 land" for the purpose of article XI, section 3, of the state 6 constitution. This Act rejects the previous approach of 7 establishing a two-tier agricultural districting and protection 8 system, one for "important agricultural land" and the second for 9 "other agricultural land".

10 The most significant provision of this Act is set forth in 11 a new section that designates the land to be placed in 12 agricultural districts on July 1, 2010. Under the new section, 13 that land, deemed "important agricultural land", is identified 14 as:

15 (1) Certain land in the central Oahu/north shore area;
16 (2) Land within state agricultural parks;

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1	(3) Other state-owned land that the department of
2	agriculture determines should remain or be included in
3	the state agricultural district; and
4	(4) Other land in the State that is within a "relevant
5	county agricultural zoning district" on July 1, 2010.
6	For land in the city and county of Honolulu and county of
7	Hawaii, each of which has more than one agricultural zoning
8	district, "relevant county agricultural zoning district" means
9	the zoning district that is most protective of agricultural use.
10	For land in the county of Maui and county of Kauai, each of
11	which has only one agricultural zoning district, "relevant
12	county agricultural zoning district" means that zoning district.
13	If either county chooses to establish another more protective
14	agriculture zoning district before June 30, 2010, then "relevant
15	county agricultural zoning district" means the district that is
16	more protective. Thus, this Act depends on the counties to
17	assist in the initial identification of important agricultural
18	land.
19	(b) Notwithstanding the counties' initial involvement,
20	this Act provides that the redesignation of such land after July
21	1, 2010 shall be subject to chapter 205, Hawaii Revised
22	Statutes. Thus, the legislature intends that the land use
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1 commission will be responsible for the redesignation of "important agricultural land" of greater than fifteen acres and 2 the counties will be responsible for the redesignation of 3 "important agricultural land" of lesser area. As required by 4 5 article XI, section 3, of the Hawaii state constitution, a 6 redesignation shall require the affirmative vote of two-thirds 7 of the members of the land use commission. 8 The legislature has identified the land included in the agricultural district after application of the standards and 9 10 criteria of section 205-44. In this respect, the legislature 11 makes the following findings: 12 The central Oahu/north shore areas identified under (1)section 205-A(b)(1), Hawaii Revised Statutes, in 13 14 section 2 of this Act is a vast expanse of contiguous land generally recognized as having high quality soil 15 and growing conditions for crops. The inclusion of 16 17 the entire area in the agricultural district comports 18 with the standards and criteria of section 205-44(1), 19 (2), (5), (6), (7), and (8). The inclusion of parts of the area also comports with standard and criteria 20 21 of section 205-44(3) or (4).



1 (2)Land within state agricultural parks is expressly 2 intended for agricultural production. Inclusion of 3 each parcel of such land comports with the standard 4 and criterion of section 205-44(1). 5 (3)With respect to other state-owned land placed in the 6 agricultural district, the department of agriculture is required by law to determine that inclusion of such 7 8 land comports with at least one of the standards and 9 criteria of section 205-44. This duty is expressly 10 delegated to the department, which the Legislature finds is very capable of making the determination. 11 12 (4)The other land in the relevant county agricultural 13 zoning district is land recognized by the counties as 14 necessary for the preservation or operation of 15 agricultural activity. The inclusion of each parcel of such land in the agricultural district comports 16 with at least one of the standards and criteria of 17 18 section 205-44. 19 Other significant provisions of this Act are as (C) 20 follows:

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1	(1)	The counties are authorized to enact rezoning	
2		ordinances before July 1, 2010 to include land in or	
3		exclude land from the state agricultural district;	
4	(2)	Standards and criteria for the redesignation of	
5		agricultural land by the land use commission after	
6		July 1, 2010 are reaffirmed;	
7	(3)	Unnecessary provisions of Act 183, Session Laws of	
8		Hawaii 2005, are repealed; and	
9	(4)	The legislative reference bureau is directed to submit	
10		to the legislature before the 2009 regular session	
11		draft legislation proposing amendments that will	
12		conform chapter 205, Hawaii Revised Statutes, to this	
13		Act.	
14	SECT	ION 2. Chapter 205, Hawaii Revised Statutes, is	
15	amended b	y adding two new sections to be appropriately	
16	designated and to read as follows:		
17	" <u>§20</u>	5-A Agricultural district on July 1, 2010. (a)	
18	Notwithst	anding any other law to the contrary, for the purposes	
19	of this c	hapter, "relevant county agriculture zoning district"	
20	means:		

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1	(1)	With respect to the city and county of Honolulu, the
2		"restricted agricultural" zoning district but not the
3		"general agricultural" zoning district;
4	(2)	With respect to the county of Maui, the "agricultural"
5		zoning district; provided that, if the county of Maui
6		establishes more than one agricultural zoning district
7		before July 1, 2010, the "relevant county agriculture
8		zoning district" shall mean the agriculture zoning
9		district that is identified by the county as most
10		protective of agricultural use;
11	(3)	With respect to the county of Kauai, the "agriculture"
12		zoning district; provided that, if the county of Kauai
13		establishes more than one agricultural zoning district
14		before July 1, 2010, the "relevant county agriculture
15		zoning district" shall mean the agriculture zoning
16		district that is identified by the county as most
17		protective of agricultural use; and
18	(4)	With respect to the county of Hawaii, the "intensive
19		agricultural" zoning district but not the "family
20		agricultural" or "agricultural" zoning district.
21	(b)	On July 1, 2010, the following lands shall be included

22 in the state agricultural district:

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1	(1)	Land	in the central Oahu/north shore area within the
2		folle	owing tax map key parcels:
3		(A)	<u>6-1-005-001;</u>
4		<u>(B)</u>	6-1-006-001, but not that portion outside the
5			restricted agricultural zoning district of the
6			city and county of Honolulu on July 1, 2008;
7		(C)	6-1-007-001;
8		(D)	<u>6-2-009-001;</u>
9		(E)	6-2-010-001, but not that portion outside the
10			restricted agricultural zoning district of the
11			city and county of Honolulu on July 1, 2008;
12		(F)	6-2-011-001, but not that portion outside the
13			restricted agricultural zoning district of the
14			city and county of Honolulu on July 1, 2008;
15		(G)	6-4-001-001;
16		(H)	6-4-001-006;
17		<u>(I)</u>	6-4-002-001;
18		(J)	6-4-003-001;
19		(K)	6-4-003-003;
20		<u>(L)</u>	6-4-004-001;
21		(M)	6-5-001-002;
22		<u>(N)</u>	<u>6-5-002-011;</u>

1		(0)	6-5-002-018; and
2			
2		<u>(P)</u>	6-5-002-019;
3	(2)	Land	within the boundaries of each of the following
4		stat	e agricultural parks:
5		(A)	On the island of Oahu: Waimanalo, Waianae,
6			Kahuku, and Kalaeloa agricultural parks;
7		(B)	On the island of Hawaii: Pahoa, Panaewa,
8			Keahole, and Hamakua agricultural parks;
9		(C)	On the island of Kauai: Kekaha agricultural
10			park; and
11		(D)	The Molokai agricultural park;
12	(3)	Othe	r land owned by the State that the department of
13		agri	culture determines should remain or be included in
14		the	state agricultural district on July 1, 2010,
15		beca	use the land comports with at least one of the
16		stan	dards and criteria of section 205-44; and
17	(4)	Othe	r land in the State that is within a relevant
18		coun	ty agriculture zoning district on July 1, 2010.
19	(c)	By O	ctober 1, 2010, the land use commission shall
20	issue map	s of	the state agricultural districts on each island.
21	(d)	The	inclusion of land into, or exclusion of land from
22	the state	agri	cultural districts on July 1, 2010, pursuant to
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1	this section shall not be subject to the district boundary
2	amendment provisions of section 205-3.1 or section 205-4.
3	(e) Land within the state agricultural district on
4	June 30, 2010, that is excluded from that district on July 1,
5	2010, pursuant to subsection (b) shall be included in the state
6	rural district on July 1, 2010. The inclusion of the land into
7	the state rural district on that date shall not be subject to
8	the district boundary amendment provisions of section 205-3.1 or
9	section 205-4.
10	(f) After July 1, 2010, any land included in the state
11	agricultural or rural district pursuant to this section shall be
12	subject to the district boundary amendment provisions of this
13	chapter.
14	<u>§205-B</u> County zoning map amendments before June 30, 2010.
15	(a) For the purposes of this section, "rezoning ordinance"
16	means an ordinance amending a zoning map or the narrative of a
17	zoning code or land use ordinance.
18	(b) Each county, on its own initiative or upon application
19	of a person, may review, process, and act upon any proposed
20	rezoning ordinance that, on July 1, 2010, will include land in
21	or exclude land from the "relevant county agricultural zoning
22	district" pursuant to section 205-A(b)(2); provided that:

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1	(1)	A county through a rezoning ordinance shall not
2		include land that is in the state urban, rural, or
3		conservation district on June 30, 2010 in the relevant
4		county agricultural zoning district;
5	(2)	The rezoning ordinance shall take effect on July 1,
6		2010 so that the subject land is included in or
7		excluded from the state agricultural district on that
8		date in accordance with section 205-A(b)(2);
9	(3)	When including land in the relevant county
10		agricultural zoning district by a rezoning ordinance,
11		the county shall find that the inclusion comports with
12		at least one of the standards and criteria of section
13		205-44; and
14	(4)	No rezoning ordinance enacted by any county shall
15		affect the inclusion into the state agricultural
16		district of the central Oahu/north shore area
17		identified under section 205-A(b)(1), the state
18		agricultural park land identified under section 205-
19		A(b)(2), or the state-owned land identified by the
20		department of agriculture under section 205-A(b)(3).
21	(c)	The county of Maui and the county of Kauai may also
22	create th	rough a rezoning ordinance more than one agricultural

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1	zoning di	strict to separate land to be included in the state
2	<u>agricultu</u>	ral district from other agricultural land.
3	(d)	No rezoning ordinance enacted pursuant to this section
4	shall be	deemed a "proposed action" requiring the preparation of
5	an enviro	nmental assessment or environmental impact statement,
6	notwithst	anding section 343-5(a) or any other provision of
7	chapter 3	43.
8	(e)	This section shall be repealed on July 1, 2010."
9	SECT	ION 3. Section 205-2, Hawaii Revised Statutes, is
10	amended b	y amending subsection (a) to read as follows:
11	"(a)	There shall be four major land use districts in which
12	all lands	in the State shall be placed: urban, rural,
13	agricultu	ral, and conservation. The land use commission shall
14	group con	tiguous land areas suitable for inclusion in one of
15	these fou	r major districts. The commission shall set standards
16	for deter	mining the boundaries of each district, provided that:
17	(1)	In the establishment of boundaries of urban districts
18		those lands that are now in urban use and a sufficient
19		reserve area for foreseeable urban growth shall be
20		included;
21	(2)	In the establishment of boundaries for rural
22		districts, areas of land composed primarily of small

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1		farms mixed with very low density residential lots,
2		which may be shown by a minimum density of not more
3		than one house per one-half acre and a minimum lot
4		size of not less than one-half acre shall be included,
5		except as [herein] provided[;] in this chapter;
6	(3)	In the establishment and amendment of the boundaries
7		of agricultural districts [ <del>the greatest possible</del>
8		protection shall be given to those lands with a high
9		capacity for intensive cultivation;], section 205-A
10		shall apply on July 1, 2010, and section 205-50 shall
11		apply thereafter. All lands in agricultural districts
12		shall be designated "important agricultural lands" for
13		the purpose of article XI, section 3, of the state
14		constitution. For the purposes of this chapter,
15		"agricultural lands", "lands in the agricultural
16		district", and similar terms shall have the same
17		meaning as "important agricultural lands" as defined
18		in section 205-42; and
19	(4)	In the establishment of the boundaries of conservation
20		districts, the "forest and water reserve zones"
21		provided in Act 234, section 2, Session Laws of Hawaii
22		1957, are renamed "conservation districts" and,



1	effective as of July 11, 1961, the boundaries of the
2	forest and water reserve zones theretofore established
3	pursuant to Act 234, section 2, Session Laws of Hawaii
4	1957, shall constitute the boundaries of the
5	conservation districts; provided that thereafter the
6	power to determine the boundaries of the conservation
7	districts shall be in the commission.
8	In establishing the boundaries of the districts in each county,
9	the commission shall give consideration to the master plan or
10	general plan of the county."
11	SECTION 4. Section 205-42, Hawaii Revised Statutes, is
12	amended to read as follows:
13	"[ $+$ ] §205-42[ $+$ ] Important agricultural lands; definition
14	and objectives. (a) [As used in this part, unless the context
15	otherwise requires, ] As provided under section 205-2(a)(3), all
16	lands in an agricultural district shall be designated "important
17	agricultural lands" [means those lands, identified pursuant to
18	this part, that:
19	(1) Are capable of producing sustained high agricultural
20	yields when treated and managed according to accepted
21	farming methods and technology;



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1	<del>(2)</del> -	Contribute to the State's economic base and produce
2		agricultural commodities for export or local
3		consumption; or
4	<del>(3)</del>	Are needed to promote the expansion of agricultural
5		activities and income for the future, even if
6		currently not in production.] for the purpose of
7		article XI, section 3, of the state constitution.
8	(b)	[The objective for the identification of important
9	agricultu	ral lands is to identify and plan for the maintenance
10	<del>of a stra</del>	tegic agricultural land resource base that can support
11	<del>a diversi</del>	ty of agricultural activitics and opportunitics that
12	expand ag	ricultural income and job opportunities and increase
13	<del>agricultu</del>	ral self-sufficiency for current and future
14	generatio	ns. To achieve this objective,] To protect important
15	agricultu	ral lands, the State shall:
16	(1)	Promote agricultural development and land use planning
17		that delineates blocks of productive agricultural land
18		and areas of agricultural activity for protection from
19		the encroachment of nonagricultural uses; and
20	(2)	Establish incentives that promote:
21		(A) Agricultural viability[+] and diversity;

1	(B)	Sustained growth of the agriculture industry;	
2		[and]	
3	<u>(C)</u>	Agricultural self-sufficiency for current and	
4		future generations;	
5	[ <del>-(C)</del> ]	(D) The long-term agricultural use and	
6		protection of [ <del>these</del> ] productive agricultural	
7		lands[-]; and	
8	<u>(E)</u>	Expansion of agricultural related income and job	
9		opportunities."	
10	SECTION 5	. Section 205-44, Hawaii Revised Statutes, is	
11	amended to read	d as follows:	
12	"[ $+$ ]§205-44[ $+$ ] Standards and criteria for the <u>initial</u>		
13	identification	of important agricultural lands. The standards	
14	and criteria in	n this section shall be used to identify important	
15	agricultural la	ands. Lands identified as important agricultural	
16	lands need not	meet every standard and criteria listed below.	
17	Rather, lands n	meeting any of the standards and criteria below	
18	shall be given	[ <del>initial</del> ] consideration[ <del>; provided that the</del>	
19	designation of	-important agricultural lands shall be made by	
20	weighing the s	candards and criteria with each other to meet the	
21	constitutional.	ly mandated purposes in article XI, section 3, of	
22	the state const	titution and the objectives and policies] for	
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1	<u>initial identification as</u> important agricultural lands [ <del>in</del>			
2	sections 205-42 and 205-43]. The standards and criteria shall			
3	be as follows:			
4	(1)	Land currently used for agricultural production;		
5	(2)	Land with soil qualities and growing conditions that		
6		support agricultural production of food, fiber, or		
7		fuel- and energy-producing crops;		
8	(3)	Land identified under agricultural productivity rating		
9		systems, such as the agricultural lands of importance		
10		to the State of Hawaii (ALISH) system adopted by the		
11		board of agriculture on January 28, 1977;		
12	(4)	Land types associated with traditional native Hawaiian		
13		agricultural uses, such as taro cultivation, or unique		
14		agricultural crops and uses, such as coffee,		
15		vineyards, aquaculture, and energy production;		
16	(5)	Land with sufficient quantities of water to support		
17		viable agricultural production;		
18	(6)	Land whose designation as important agricultural lands		
19		is consistent with general, development, and community		
20		plans of the county;		

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1	(7)	Land that contributes to maintaining a critical land	
2		mass important to agricultural operating productivity;	
3		and	
4	(8)	Land with or near support infrastructure conducive to	
5		agricultural productivity, such as transportation to	
6		markets, water, or power."	
7	SECT	ION 6. Section 205-50, Hawaii Revised Statutes, is	
8	amended t	o read as follows:	
9	"[+]	<pre>§205-50[]] Standards and criteria for [the</pre>	
10	<del>reclassif</del>	ication] district boundary amendments or rezoning of	
11	[ <del>importan</del>	<b>t] agricultural lands.</b> (a) [Any] After July 1, 2010,	
12	any land	use district boundary amendment or change in zoning	
13	involving	[important] agricultural lands [identified pursuant to	
14	this chap	ter] shall be subject to this section.	
15	(b)	Upon acceptance by the county for processing, any	
16	applicati	on for a special permit involving important	
17	agricultu	ral lands shall be referred to the department of	
18	agricultu	re and the office of planning for review and comment.	
19	(C)	Any decision by the land use commission or county	
20	[ <del>pursuant</del>	to this section] to amend an agricultural district	
21	boundary	or change the zoning of agricultural land shall	
22	specifica	lly consider the following standards and criteria:	
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1	(1)	The relative importance of the land for agriculture
2		based on the stock of similarly suited lands in the
3		area and the State as a whole;
4	(2)	The proposed district boundary amendment or zone
5		change will not harm the productivity or viability of
6		existing agricultural activity in the area[ $_{ au}$ ] or
7		adversely affect the viability of other agricultural
8		activities or operations that share infrastructure,
9		processing, marketing, or other production-related
10		costs or facilities with the agricultural activities
11		on the land in question;
12	(3)	The district boundary amendment or zone change will
13		not cause the fragmentation of or intrusion of
14		nonagricultural uses into largely intact areas of
15		[lands identified by the State as important]
16		agricultural lands that create residual parcels of a
17		size that would preclude viable agricultural use;
18	(4)	The public benefit to be derived from the proposed
19		action is justified by a need for additional lands for
20		nonagricultural purposes; [ <del>and</del> ]
21	(5)	The impact of the proposed district boundary amendment
22		or zone change on the necessity and capacity of state



1		and	county agencies to provide and support additional
2		agri	cultural infrastructure or services in the
3		area	[-] <u>;</u>
4	(6)	Whet	her a sufficient supply of water is no longer
5		<u>avai</u>	lable to allow profitable agricultural use of the
6		land	due to governmental action, an act of God, or
7		othe	r cause beyond the farmer's or landowner's
8		reas	onable control; and
9	(7)	The	negative effect that the proposed district
10		boun	dary amendment or zone change may have on the
11		foll	owing:
12		(A)	The potential for increasing the cultivation of
13			crops or trees for the generation of energy;
14		<u>(B)</u>	The recharging of the aquifer;
15		(C)	The beneficial reuse of treated wastewater for
16			crop or tree farm irrigation;
17		(D)	The absorption of carbon dioxide from the
18			atmosphere, and the potential future use of crop
19			or tree farm lands for carbon credit;
20		<u>(E)</u>	The need for green or open space for the
21			viability of the visitor industry and contentment
22			of residents; and
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1		(F) The prevention of soil erosion and non-point	
2		source pollutant discharge into the ocean.	
3	(d)	Any decision pursuant to this section shall be based	
4	upon a de	termination that:	
5	(1)	On balance, the public benefit from the proposed	
6		district boundary amendment or zone change outweighs	
7		the benefits of retaining the land for agricultural	
8		purposes; and	
9	(2)	The proposed action will have no significant impact	
10		upon the viability of agricultural operations on	
11		adjacent agricultural lands.	
12	(e)	The standards and criteria of this section shall be in	
13	addition	to:	
14	(1)	The decision-making criteria of section 205-17	
15		governing decisions of the land use commission under	
16		this chapter; and	
17	(2)	The decision-making criteria adopted by each county to	
18		govern decisions of county decision-making authorities	
19		under this chapter.	
20	(f)	Any decision of the land use commission and any	
21	decision	of any county on a land use district boundary amendment	
22	or change	in zoning involving [ <del>important</del> ] agricultural lands	
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shall be approved by the body responsible for the decision by a 1 2 two-thirds vote of the membership to which the body is entitled. [(g) A farmer or landowner with qualifying lands may also 3 4 petition the land use commission to remove the "important 5 agricultural lands" designation from lands if a sufficient 6 supply of water is no longer available to allow profitable farming of the land due to governmental actions, acts of God, or 7 other causes beyond the farmer's or landowner's reasonable 8 9 control.]" 10 SECTION 7. Part III of Act 183, Session Laws of Hawaii 2005, is repealed. 11 12 SECTION 8. The legislative reference bureau shall submit 13 to the legislature at least twenty days before the convening of 14 the regular session of 2009, legislation proposing amendments intended to conform chapter 205, Hawaii Revised Statutes, to 15 this Act. In performing this duty, the legislative reference 16 bureau shall consult with the chairpersons of the appropriate 17 18 legislative committees, the land use commission, the department of agriculture, the office of planning, and appropriate county 19 20 administrations and councils.

21 SECTION 9. In codifying the new sections added by section
22 2 and of this Act, the revisor of statutes shall substitute
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appropriate section numbers for the letters used in designating
 the new sections.

3 SECTION 10. Statutory material to be repealed is bracketed4 and stricken. New statutory material is underscored.

5 SECTION 11. This Act shall take effect on July 1, 2009;
6 except that sections 2, 5, 7, 8, 9, and 10 shall take effect
7 upon its approval.

8

INTRODUCED BY:

JAN 1 5 2008



#### Report Title:

Land Use; Important Agricultural Lands

#### Description:

Requires certain lands to be placed in the agricultural districts on 7/1/10, including certain lands specifically identified, and other lands in a "relevant county agricultural zoning district". Deems those lands to be important agricultural lands. Allows those lands to be redesignated after 7/1/10 by the land use commission or the counties, as the case may be, under land use law. Allows counties to enact rezoning ordinances that, on 7/1/10 includes land in or excludes land from the "relevant county agricultural zoning district".

