
A BILL FOR AN ACT

RELATING TO WATER RATES.

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

1 SECTION 1. Agriculture in Hawaii depends on many factors,
2 including access to water for irrigation purposes at affordable
3 rates. Although many farmers are able to access lower
4 agricultural water rates provided by the county water systems,
5 other farmers who are unable to access the county water systems
6 must rely on the more expensive residential water rates provided
7 by public utilities. Without affordable water rates,
8 agriculture cannot be sustainable and competitive in Hawaii.

9 The legislature finds that it is in the public interest to
10 promote the long-term viability of agriculture by establishing
11 mechanisms that provide for preferential rates for potable water
12 used for agricultural activities.

13 The purpose of this Act is to establish a policy of
14 providing preferential potable water rates for agricultural
15 activities and to authorize the public utilities commission to
16 establish preferential water rates for potable water used for
17 agricultural activities.



1 SECTION 2. Chapter 269, Hawaii Revised Statutes, is amended
2 by adding a new section to read as follows:

3 "~~§269-~~ Preferential water rates for agricultural
4 activities. (a) It is the policy of the State to promote the
5 long-term viability of agriculture by establishing mechanisms
6 that provide for preferential rates for potable water for
7 agricultural activities. The public utilities commission shall
8 have the authority to establish preferential rates for potable
9 water used for agricultural activities in a public utility's
10 service area.

11 (b) Upon receipt of a bona fide request for preferential
12 rates for potable water to be used for agricultural activities,
13 and proof that the customer engages in agricultural activities,
14 a public utility shall provide preferential rates for potable
15 water to be used only for agricultural activities. All such
16 rates may be subsidized by the water rates charged to other
17 customers of the public utility."

18 SECTION 3. Section 269-1, Hawaii Revised Statutes, is
19 amended by adding a new definition to be appropriately inserted
20 and to read as follows:

21 "Agricultural activities" means crop production, flower
22 growing, fruit and other orchard growing, stock raising, dairy



1 farming, and aquacultural farming, on a commercial basis. The
2 term does not include growing of ornamental plants and flowers
3 or canneries, mills, markets, or establishments engaged in the
4 conversion, treatment, or packaging of agricultural products."

5 SECTION 4. New statutory material is underscored.

6 SECTION 5. This Act shall take effect upon its approval.



Report Title:

Agricultural Water Rates; Public Utilities Commission

Description:

Authorizes the Public Utilities Commission to establish preferential potable water rates for agricultural activities in a public utility's service area. Requires public utilities, upon application and proof of qualification, to provide preferential rates for potable water used only for agricultural activities. (HB2810 HD1)

