

## EXECUTIVE CHAMBERS

NEIL ABERCROMBIE GOVERNOR

July 11, 2011

The Honorable Shan Tsutsui, President and Members of the Senate Twenty-Sixth State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813 The Honorable Calvin Say, Speaker and Members of the House Twenty-Sixth State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on July 11, 2011, the following bill was signed into law:

SB631 SD1 HD2 CD1

RELATING TO RENEWABLE ENERGY. **Act 217 (11)** 

NEIL ABERCROMBIE Governor, State of Hawaii JUL 1 1 2011

THE SENATE
TWENTY-SIXTH LEGISLATURE, 2011
STATE OF HAWAII

ACT 217 S.B. NO. 631 S.D. 1 H.D. 2 C.D. 1

# A BILL FOR AN ACT

RELATING TO RENEWABLE ENERGY.

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

- 1 SECTION 1. The legislature finds that the development of
- 2 renewable energy in Hawaii is crucial to the energy security and
- 3 energy independence of the State. Increased energy efficiency
- 4 and use of renewable energy resources will achieve broad
- 5 societal benefits, including resistance to increases in oil
- 6 prices, environmental sustainability, economic development, and
- 7 job creation.
- 8 The legislature also finds that Hawaii's dependence on
- 9 petroleum makes the State extremely vulnerable to supply
- 10 disruption, international market dysfunction, and many other
- 11 factors beyond the control of the State. Continued consumption
- 12 of conventional petroleum fuel and price volatility can
- 13 negatively impact the viability of agricultural operations.
- 14 The legislature further finds that allowing renewable
- 15 energy facilities within the agricultural district furthers and
- 16 is consistent with the purposes, standards, and criteria for
- 17 uses within agricultural lands. Renewable energy facilities

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use;

- 1 increase the State's energy self sufficiency and agricultural 2 sustainability. 3 The purpose of this Act is to increase, with certain 4 limitations, the areas within agricultural lands in which solar 5 energy facilities may be constructed. 6 SECTION 2. Section 205-2, Hawaii Revised Statutes, is 7 amended by amending subsection (d) to read as follows: 8 Agricultural districts shall include: 9 Activities or uses as characterized by the cultivation 10 of crops, crops for bioenergy, orchards, forage, and 11 forestry; Farming activities or uses related to animal husbandry 12 (2) and game and fish propagation; 13 Aquaculture, which means the production of aquatic 14 (3) plant and animal life within ponds and other bodies of 15 water: 16 Wind generated energy production for public, private, (4) 17 18 and commercial use; 19 (5) Biofuel production, as described in section 205-4.5(a)(15), for public, private, and commercial 20
  - (6) Solar energy facilities; provided that [this]:
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#### S.B. NO. 531 S.D. 1 H.D. 2 C.D. 1

. 1		(A)	This paragraph shall apply only to land with soil
2			classified by the land study bureau's detailed
3			land classification as overall (master)
4			productivity rating class B, C, D or E; and
5		(B)	Solar energy facilities placed within land with
6			soil classified as overall productivity rating
7			class B or C shall not occupy more than ten per
8			cent of the acreage of the parcel, or twenty
9			acres of land, whichever is lesser;
10	(7)	Bona	fide agricultural services and uses that support
11		the	agricultural activities of the fee or leasehold
12		owne	r of the property and accessory to any of the
13		abov	e activities, regardless of whether conducted on
14		the	same premises as the agricultural activities to
15		whic	h they are accessory, including farm dwellings as
16		defi	ned in section 205-4.5(a)(4), employee housing,
17		farm	buildings, mills, storage facilities, processing
18		faci	lities, agricultural-energy facilities as defined
19		in s	ection 205-4.5(a)(16), vehicle and equipment
20		stor	age areas, roadside stands for the sale of
21		prod	ducts grown on the premises, and plantation

1		community subdivisions as defined in section
2		205-4.5(a)(12);
3	(8)	Wind machines and wind farms;
4	(9)	Small-scale meteorological, air quality, noise, and
5		other scientific and environmental data collection and
6		monitoring facilities occupying less than one-half
7		acre of land; provided that these facilities shall not
8		be used as or equipped for use as living quarters or
9		dwellings;
10	(10)	Agricultural parks;
11	(11)	Agricultural tourism conducted on a working farm, or a
12		farming operation as defined in section 165-2, for the
13		enjoyment, education, or involvement of visitors;
14		provided that the agricultural tourism activity is
15		accessory and secondary to the principal agricultural
16		use and does not interfere with surrounding farm
17	\$	operations; and provided further that this paragraph
18		shall apply only to a county that has adopted
19	•	ordinances regulating agricultural tourism under
20		section 205-5; and
21	(12)	Open area recreational facilities.

#### S.B. NO. 5.D. 1 H.D. 2 C.D. 1

1	Agricultural districts shall not include golf courses and golf
2	driving ranges, except as provided in section 205-4.5(d).
3	Agricultural districts include areas that are not used for, or

- 4 that are not suited to, agricultural and ancillary activities by
- 5 reason of topography, soils, and other related characteristics."
- 6 SECTION 3. Section 205-4.5, Hawaii Revised Statutes, is
- 7 amended by amending subsection (a) to read as follows:
- 8 "(a) Within the agricultural district, all lands with soil
- 9 classified by the land study bureau's detailed land
- 10 classification as overall (master) productivity rating class A
- 11 or B shall be restricted to the following permitted uses:
- 12 (1) Cultivation of crops, including crops for bioenergy,
- flowers, vegetables, foliage, fruits, forage, and
- 14 timber;
- 15 (2) Game and fish propagation;
- 16 (3) Raising of livestock, including poultry, bees, fish,
- or other animal or aquatic life that are propagated
- for economic or personal use;
- 19 (4) Farm dwellings, employee housing, farm buildings, or
- 20 activities or uses related to farming and animal
- 21 husbandry. "Farm dwelling", as used in this
- 22 paragraph, means a single-family dwelling located on

1		and used in connection with a farm, including clusters
2		of single-family farm dwellings permitted within
3		agricultural parks developed by the State, or where
4	•	agricultural activity provides income to the family
5		occupying the dwelling;
6	(5)	Public institutions and buildings that are necessary
7		for agricultural practices;
8	(6)	Public and private open area types of recreational
9		uses, including day camps, picnic grounds, parks, and
10		riding stables, but not including dragstrips,
11		airports, drive-in theaters, golf courses, golf
12		driving ranges, country clubs, and overnight camps;
13	(7)	Public, private, and quasi-public utility lines and
14		roadways, transformer stations, communications
15		equipment buildings, solid waste transfer stations,
16		major water storage tanks, and appurtenant small
17		buildings such as booster pumping stations, but not
18		including offices or yards for equipment, material,
19		vehicle storage, repair or maintenance, treatment
20		plants, corporation yards, or other similar
21		structures;

### S.B. NO. 5.D. 1 H.D. 2 C.D. 1

1	(8)	Retention, restoration, rehabilitation, or improvement
2		of buildings or sites of historic or scenic interest;
3	(9)	Roadside stands for the sale of agricultural products
4		grown on the premises;
5	(10)	Buildings and uses, including mills, storage, and
6		processing facilities, maintenance facilities, and
7		vehicle and equipment storage areas that are normally
8		considered directly accessory to the above-mentioned
9		uses and are permitted under section 205-2(d);
10	(11)	Agricultural parks;
11	(12)	Plantation community subdivisions, which as used in
12		this chapter means an established subdivision or
13		cluster of employee housing, community buildings, and
14	•	agricultural support buildings on land currently or
15		formerly owned, leased, or operated by a sugar or
16		pineapple plantation; provided that the existing
17		structures may be used or rehabilitated for use, and
18		new employee housing and agricultural support
19		buildings may be allowed on land within the
20		subdivision as follows:

1		(A)	The emproyee housing is occupied by emproyees or
2			former employees of the plantation who have a
3			property interest in the land;
4		(B)	The employee housing units not owned by their
5			occupants shall be rented or leased at affordable
6	7		rates for agricultural workers; or
7.		(C)	The agricultural support buildings shall be
8.			rented or leased to agricultural business
9			operators or agricultural support services;
10	(13)	Agri	cultural tourism conducted on a working farm, or a
11	•	farm	ing operation as defined in section 165-2, for the
12		enjo	yment, education, or involvement of visitors;
13		prov	ided that the agricultural tourism activity is
14		acce	ssory and secondary to the principal agricultural
15		use	and does not interfere with surrounding farm
16		oper	ations; and provided further that this paragraph
17		shal	l apply only to a county that has adopted
18		ordi	nances regulating agricultural tourism under
19		sect.	ion 205-5;
20	(14)	Wind	energy facilities, including the appurtenances
21		asso	ciated with the production and transmission of
22		wind	generated energy; provided that the wind energy

1		facilities and appurtenances are compatible with
2		agriculture uses and cause minimal adverse impact on
3		agricultural land;
4	(15)	Biofuel processing facilities, including the
5		appurtenances associated with the production and
6		refining of biofuels that is normally considered
7		directly accessory and secondary to the growing of the
8		energy feedstock; provided that biofuels processing
9		facilities and appurtenances do not adversely impact
10		agricultural land and other agricultural uses in the
11		vicinity.
12		For the purposes of this paragraph:
13		"Appurtenances" means operational infrastructure
14		of the appropriate type and scale for economic
15		commercial storage and distribution, and other similar
16		handling of feedstock, fuels, and other products of
17		biofuels processing facilities.
18		"Biofuel processing facility" means a facility
19		that produces liquid or gaseous fuels from organic
20		sources such as biomass crops, agricultural residues,
21		and oil crops, including palm, canola, soybean, and
22		waste cooking oils; grease; food wastes; and animal

### S.B. NO. 5.D. 1 H.D. 2 C.D. 1

1,		residues and wastes that can be used to generate
2		energy;
3	(16)	Agricultural-energy facilities, including
4		appurtenances necessary for an agricultural-energy
5		enterprise; provided that the primary activity of the
6		agricultural-energy enterprise is agricultural
7		activity. To be considered the primary activity of an
8		agricultural-energy enterprise, the total acreage
9		devoted to agricultural activity shall be not less
10		than ninety per cent of the total acreage of the
11		agricultural-energy enterprise. The agricultural-
12		energy facility shall be limited to lands owned,
13		leased, licensed, or operated by the entity conducting
14		the agricultural activity.
15		As used in this paragraph:
16		"Agricultural activity" means any activity
17		described in paragraphs (1) to (3) of this subsection.
18		"Agricultural-energy enterprise" means an
19		enterprise that integrally incorporates an
20		agricultural activity with an agricultural-energy
21		facility.

(17)

#### S.B. NO. 531 S.D. 1 H.D. 2

"Agricultural-energy facility" means a facility
that generates, stores, or distributes renewable
energy as defined in section 269-91 or renewable fuel
including electrical or thermal energy or liquid or
gaseous fuels from products of agricultural activities
from agricultural lands located in the State.

"Appurtenances" means operational infrastructure of the appropriate type and scale for the economic commercial generation, storage, distribution, and other similar handling of energy, including equipment, feedstock, fuels, and other products of agricultural-energy facilities;

Construction and operation of wireless communication antennas; provided that, for the purposes of this paragraph, "wireless communication antenna" means communications equipment that is either freestanding or placed upon or attached to an already existing structure and that transmits and receives electromagnetic radio signals used in the provision of all types of wireless communications services; provided further that nothing in this paragraph shall be construed to permit the construction of any new

1		structure that is not deemed a permitted use under
2		this subsection; [ex]
3	(18)	Agricultural education programs conducted on a farming
4		operation as defined in section 165-2, for the
5	•	education and participation of the general public;
6		provided that the agricultural education programs are
7		accessory and secondary to the principal agricultural
8		use of the parcels or lots on which the agricultural
9		education programs are to occur and do not interfere
10		with surrounding farm operations. For the purposes of
11		this section, "agricultural education programs" means
12		activities or events designed to promote knowledge and
13		understanding of agricultural activities and practices
14		conducted on a farming operation as defined in section
15		165-2[-]; or
16	(19)	Solar energy facilities that do not occupy more than
17		ten per cent of the acreage of the parcel, or twenty
18		acres of land, whichever is lesser; provided that this
19		use shall not be permitted on lands with soil
20		classified by the land study bureau's detailed land
21		classification as overall (master) productivity rating
22		class A."

- 1 SECTION 4. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 5. This Act shall take effect upon its approval.

APPROVED this

day of

.00

, 2011

GOVERNOR OF THE STATE OF HAWAII