

# GOV. MSG. NO. 1354

July 12, 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:

I am transmitting herewith SB1559 SD2 HD2, without my approval, and with the statement of objections relating to the measure.

SB1559 SD2 HD2

RELATING TO IMPORTANT AGRICULTURAL LANDS

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NEIL ABERCROMBIE Governor, State of Hawaii

### EXECUTIVE CHAMBERS

#### HONOLULU

### July 12, 2011

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 1559

Honorable Members Twenty-Sixth Legislature State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1559, entitled "A Bill for an Act Relating to Important Agricultural Lands."

The purpose of this bill is to provide incentives for designating land as Important Agricultural Lands ("IAL"). This bill requires priority processing of permit applications for agricultural facilities of an agribusiness which only processes crops or livestock produced on IAL. The bill also requires the public utilities commission to establish preferential rates for the purchase of energy that is used or consumed for agricultural activities on IAL.

This bill is objectionable because this measure may create implementation issues involving dispute resolution, monitoring, and compliance. Furthermore, additional consideration should be given to the overall development of agriculture and which agricultural activities deserve additional support through incentives or favorable treatment. STATEMENT OF OBJECTIONS SENATE BILL NO. 1559 Page 2

For the foregoing reasons, I am returning Senate Bill No. 1559 without my approval.

Respectfully,

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NEIL ABERCROMBIE Governor of Hawaii



S.B. NO. <sup>1559</sup> S.D. 2 H.D. 2

THE SENATE TWENTY-SIXTH LEGISLATURE, 2011 STATE OF HAWAII

# A BILL FOR AN ACT

RELATING TO IMPORTANT AGRICULTURAL LANDS.

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

1	PART I
2	SECTION 1. Section 205-46.5, Hawaii Revised Statutes, is
3	amended to read as follows:
4	"[+]§205-46.5[+] Agricultural processing facilities;
5	permits; priority. (a) Any agency subject to this chapter or
6	title 13 that issues permits shall establish and implement a
7	procedure for the priority processing of permit applications and
8	renewals, at no additional cost to the applicant, for
9	agricultural processing facilities that process crops or
10	livestock from an agribusiness; provided that [the]:
11	(1) The majority of the lands held, owned, or used by the
12	agribusiness shall be land designated as important
13	agricultural lands pursuant to this part, excluding
14	lands held, owned, or used by the agribusiness in a
15	conservation district [-]; or
16	(2) All of the crops or livestock processed at the
17	facility is produced on land designated as important
18	agricultural land pursuant to this part; provided that



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1	this requirement shall apply for at least twenty years
2	following the issuance of a certificate of occupancy
3	for the facility.
4	Any priority permit processing procedure established
5	pursuant to this section shall not provide or imply that any
6	permit application filed under the priority processing procedure
7	shall be automatically approved.
8	(b) As used in this section, "agribusiness" means a
9	business primarily engaged in the care and production, or
10	processing, of livestock, livestock products, poultry, poultry
11	products, apiary, horticultural or floricultural products, the
12	planting, cultivating, and harvesting of crops or trees, or the
13	farming or ranching of any plant or animal species in a
14	controlled salt, brackish, or fresh water environment."
15	PART II
16	SECTION 3. Chapter 269, Hawaii Revised Statutes, is
17	amended by adding a new section to be appropriately designated
18	and to read as follows:
19	"§269- Preferential energy rates; important agricultural
20	lands. (a) The public utilities commission shall establish, by
21	rule or decision and order, preferential rates for the purchase
22	of energy that is used or consumed for agricultural activities
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1	on important agricultural lands, as designated pursuant to
2	sections 205-44 and 205-45.
3	(b) Upon receipt of a bona fide request for the purchase
4	of energy that is used or consumed for agricultural activities
5	on important agricultural lands, and proof that the energy will
6	be used or consumed in conjunction with agricultural activities
7	on important agricultural lands, a public utility shall present
8	the request for preferential rates to the public utilities
9	commission for approval."
10	PART III
11	SECTION 5. Statutory material to be repealed is bracketed
12	and stricken. New statutory material is underscored.
13	SECTION 6. This Act shall take effect upon its approval.

APPROVED this

day of

, 2011

# GOVERNOR OF THE STATE OF HAWAII