HOUSE OF REPRESENTATIVES TWENTY-SIXTH LEGISLATURE, 2011 STATE OF HAWAII H.B. NO. <sup>122</sup> H.D. 1 S.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. Act 173, Session Laws of Hawaii 2009 (Act 173), 2 recognized that to develop and finance renewable energy facilities, a site for the facilities and access to the site 3 must often be leased, granted as an easement, or mortgaged to 4 5 provide financing for the project. The purpose of Act 173 was 6 to facilitate the financing and development of renewable energy 7 projects by allowing leases and easements pertaining to 8 renewable energy projects, together with mortgages and other 9 conveyances as security for finance, to be created, enforced, 10 and recorded, without requiring the landowner to obtain formal subdivision approval, and instead requiring approval for 11 12 exemption from subdivision requirements, from the applicable 13 county or other approving agency.

14 The need to encourage and facilitate renewable energy 15 facilities in the State persists, but critical sections of Act 16 173 will be repealed on July 1, 2013, unless the legislature 17 acts.

2011-1874 HB122 SD1 SMA.doc 

| 1  | The purpose of this Act is to extend the repeal date of Act      |  |  |  |
|----|--|--|--|--|
| 2  | 173 to highlight the State's commitment to encouraging and       |  |  |  |
| 3  | facilitating renewable energy projects throughout the State and  |  |  |  |
| 4  | to clarify that wind energy projects qualify for the exemptions. |  |  |  |
| 5  | SECTION 2. Section 201N-14, Hawaii Revised Statutes, is          |  |  |  |
| 6  | amended by amending subsection (d) to read as follows:           |  |  |  |
| 7  | "(d) The exemption from subdivision requirements                 |  |  |  |
| 8  | authorized by this section shall only apply to leases and        |  |  |  |
| 9  | easements that meet the following requirements and shall be      |  |  |  |
| 10 | subject to the following limitations:                            |  |  |  |
| 11 | (1) The lease or easement shall restrict the use of the          |  |  |  |
| 12 | leased land or easement area to the development and              |  |  |  |
| 13 | operation of a renewable energy project; provided                |  |  |  |
| 14 | that, to comply with section 205-4.6, agricultural               |  |  |  |
| 15 | uses and activities shall not be restricted on                   |  |  |  |
| 16 | agricultural land;   |  |  |  |
| 17 | (2) The lease shall have an initial term of at least             |  |  |  |
| 18 | twenty years;  |  |  |  |
| 19 | (3) With respect to leases and easements on lands within         |  |  |  |
| 20 | an agricultural state land use district, the exemption           |  |  |  |
| 21 | from subdivision requirements provided by this section           |  |  |  |
| 22 | shall be for:  |  |  |  |
|    | 2011-1874 HB122 SD1 SMA.doc                                      |  |  |  |

2011-1874 HB122 SD1 SMA.doc

| 1  | (A)                  | Solar energy facilities permitted under section   |
|----|----------------------|---|
| 2  |                      | 205-2(d)(6), on land with soil classified by the  |
| 3  |                      | land study bureau's detailed land classification  |
| 4  |                      | as overall (master) productivity rating class D   |
| 5  |                      | or E; [ <del>and</del> ]                          |
| 6  | <u>(B)</u>           | Wind energy facilities permitted under section    |
| 7  |                      | 205-2(d)(4) and (8), including the appurtenances  |
| 8  |                      | associated with the production and transmission   |
| 9  |                      | of wind generated energy; and                     |
| 10 | [- <del>(B)</del> -] | (C) Any renewable energy facilities approved by   |
| 11 |                      | the land use commission or county planning        |
| 12 |                      | commission under chapter 205;                     |
| 13 | (4) With             | respect to leases and easements on lands within a |
| 14 | conse                | ervation state land use district, the exemption   |
| 15 | from                 | subdivision requirements provided by this section |
| 16 | shall                | l be for:   |
| 17 | (A)                  | Wind energy facilities, including the             |
| 18 |                      | appurtenances associated with the production and  |
| 19 |                      | transmission of wind-generated energy; and        |
| 20 | (B)                  | Any renewable energy facilities permitted or      |
| 21 |                      | approved by the board of land and natural         |
| 22 |                      | resources under chapter 183C; and                 |



Page 4

## H.B. NO. <sup>122</sup> H.D. 1 S.D. 1

| 1  | (5) | The county agency charged with administering           |
|----|-----|--|
| 2  |     | subdivisions in the county in which the renewable      |
| 3  |     | energy project is to be situated or, if the land is in |
| 4  |     | a conservation state land use district, the department |
| 5  |     | of land and natural resources, shall approve the       |
| 6  |     | exemption from subdivision requirements within ninety  |
| 7  |     | days after the project's developer and the owner of    |
| 8  |     | the land on which the renewable energy project is to   |
| 9  |     | be situated have submitted the conceptual schematics   |
| 10 |     | or preliminary plans and specifications for the        |
| 11 |     | renewable energy project to the county agency or the   |
| 12 |     | department of land and natural resources, and have     |
| 13 |     | provided to such county agency or the department of    |
| 14 |     | land and natural resources, as applicable, a           |
| 15 |     | certification and agreement that all applicable and    |
| 16 |     | appropriate environmental reviews and permitting shall |
| 17 |     | be completed prior to commencement of development of   |
| 18 |     | the renewable energy project. If, on the ninety-first  |
| 19 |     | day, an exemption has not been approved, it shall be   |
| 20 |     | deemed disapproved by the county agency or the         |
| 21 |     | department of land and natural resources, whichever is |
| 22 |     | applicable."   |



| 1 | SECTION 3. Act 173, Session Laws of Hawaii 2009, is             |
|---|---|
| 2 | amended by amending section 7 to read as follows:               |
| 3 | "SECTION 7. This Act shall take effect upon its approval;       |
| 4 | provided that sections 2 and 4 of this Act shall be repealed on |
| 5 | July 1, [ <del>2013.</del> ] <u>2020.</u> "                     |
| 6 | SECTION 4. Statutory material to be repealed is bracketed       |
| 7 | and stricken. New statutory material is underscored.            |
| 8 | SECTION 5. This Act shall take effect upon its approval.        |



#### Report Title:

Renewable Energy; Subdivision Requirements; Exemption

#### Description:

Extends the repeal date of Act 173 (2009), which exempts renewable energy projects from subdivision requirements on State agricultural or conservation lands from July 1, 2013, to July 1, 2020. Clarifies that wind energy projects are included in the exemption. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

