# A BILL FOR AN ACT

RELATING TO SOLAR ENERGY.

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

1 SECTION 1. The legislature finds that increasing local 2 renewable energy production can greatly benefit Hawaii's 3 economy, energy sustainability, and the environment, while 4 supporting local agriculture and improving food security. 5 The legislature finds that Hawaii is dangerously dependent 6 on imported fossil fuel, which accounted for more than ninety 7 per cent of the State's energy consumption in 2011, the latest 8 year for which comprehensive data is available. In 2012, Hawaii 9 imported approximately forty-five million barrels of petroleum **10** fuels, spending approximately \$5,000,000,000 or seven per cent 11 of the State's gross domestic product. Having previously **12** established a renewable portfolio standard of forty per cent 13 renewable energy by the year 2030, the legislature finds that 14 while some progress has been made, significantly more renewable 15 energy capacity must be brought online to achieve that goal. 16 The legislature further finds that utility scale solar 17 energy facilities can generate clean energy at significantly 18 lower cost and with less environmental impact than conventional



- 1 generation. As an example, a one hundred megawatt solar energy
- 2 facility could save residents \$300,000,000 in electricity costs
- 3 over twenty years compared to the utility's current avoided
- 4 cost, while also eliminating the need to import and burn three
- 5 hundred million gallons of petroleum and the consequent emission
- 6 of 3,400,000 tons of carbon dioxide into the atmosphere.
- 7 The legislature finds that the productive use of
- 8 agricultural land is important for local food production and
- 9 that utility scale energy projects on agricultural land can
- 10 enhance a property's agricultural productivity. Energy
- 11 generation can improve the viability of land for agriculture by
- 12 providing infrastructure and subsidizing land costs for
- 13 complementary agricultural uses. Wind energy facilities are
- 14 permitted within agricultural districts with soil classified by
- 15 the land study bureau's detailed land classification as overall
- 16 (master) productivity rating class A, B, C, D, or E, and
- 17 existing wind projects have supported concurrent agricultural
- 18 uses such as grazing of livestock.
- 19 The legislature previously found that allowing solar energy
- 20 facilities within the agricultural district furthers and is
- 21 consistent with the purposes, standards, and criteria of uses
- 22 within agricultural lands, and that renewable energy facilities



## H.B. NO. H.D. 2

- 1 increase both the State's energy self-sufficiency and food
- 2 security.
- 3 The purpose of this Act is to enable the complementary uses
- 4 of utility scale solar energy generation and local food
- 5 production on agricultural land with soil classified by the land
- 6 study bureau's detailed land classification as overall (master)
- 7 productivity rating class B or C.
- 8 SECTION 2. Section 205-2, Hawaii Revised Statutes, is
- 9 amended by amending subsection (d) to read as follows:
- "(d) Agricultural districts shall include:
- 11 (1) Activities or uses as characterized by the cultivation
- of crops, crops for bioenergy, orchards, forage, and
- forestry;
- 14 (2) Farming activities or uses related to animal husbandry
- and game and fish propagation;
- 16 (3) Aquaculture, which means the production of aquatic
- plant and animal life within ponds and other bodies of
- 18 water;
- 19 (4) Wind generated energy production for public, private,
- 20 and commercial use;

1	(5)	Biof	uel production, as described in section
2		205-	4.5(a)(16), for public, private, and commercial
3		use;	
4	(6)	Sola	r energy facilities; provided that:
5		(A)	This paragraph shall apply only to land with soil
6			classified by the land study bureau's detailed
7			land classification as overall (master)
8			productivity rating class B, C, D, or E; and
9		(B)	Solar energy facilities placed within land with
10			soil classified as overall productivity rating
11			class B or C shall not occupy more than ten per
12			cent of the acreage of the parcel, or twenty
13			acres of land, whichever is lesser[+], unless a
14			special use permit is granted pursuant to section
15			205-6 and the area occupied by the solar energy
16			facilities is also made available for compatible
17			agricultural activities at a lease rate that is
18			at least fifty per cent below the fair market
19			rent for comparable properties; provided further
20			that the solar energy facilities shall be
21			decommissioned and removed within twelve months
22			of the conclusion of operation.

1		For the purposes of this paragraph, "agricultural
2		activities" means the activities described in
3		paragraphs (1) through (3);
4	(7)	Bona fide agricultural services and uses that support
5		the agricultural activities of the fee or leasehold
6		owner of the property and accessory to any of the
7		above activities, regardless of whether conducted on
8		the same premises as the agricultural activities to
9		which they are accessory, including farm dwellings as
10		defined in section 205-4.5(a)(4), employee housing,
11		farm buildings, mills, storage facilities, processing
12		facilities, photovoltaic, biogas, and other small-
13		scale renewable energy systems producing energy solely
14		for use in the agricultural activities of the fee or
15		leasehold owner of the property, agricultural-energy
16		facilities as defined in section 205-4.5(a)(17),
17	-	vehicle and equipment storage areas, and plantation
18		community subdivisions as defined in section
19		205-4.5(a)(12);
20	(8)	Wind machines and wind farms;
21	(9)	Small-scale meteorological, air quality, noise, and
22		other scientific and environmental data collection and

1		monitoring facilities occupying less than one-half
2		acre of land; provided that these facilities shall not
3		be used as or equipped for use as living quarters or
4		dwellings;
5	(10)	Agricultural parks;
6	(11)	Agricultural tourism conducted on a working farm, or a
7		farming operation as defined in section 165-2, for the
8		enjoyment, education, or involvement of visitors;
9		provided that the agricultural tourism activity is
10		accessory and secondary to the principal agricultural
11		use and does not interfere with surrounding farm
12		operations; and provided further that this paragraph
13		shall apply only to a county that has adopted
14		ordinances regulating agricultural tourism under
15		section 205-5;
16	(12)	Agricultural tourism activities, including overnight
17		accommodations of twenty-one days or less, for any one
18		stay within a county; provided that this paragraph
19		shall apply only to a county that includes at least
20		three islands and has adopted ordinances regulating
21		agricultural tourism activities pursuant to section
22		205-5; provided further that the agricultural tourism

1	acti	vities coexist with a bona fide agricultural
2	activ	vity. For the purposes of this paragraph, "bona
3	fide	agricultural activity" means a farming operation
4	as de	efined in section 165-2;
5	(13) Open	area recreational facilities;
6	[+] (14) [+] Ge	eothermal resources exploration and geothermal
7	resou	arces development, as defined under section 182-1;
8	and	
9	[+](15)[+] Ag	gricultural-based commercial operations, including
10	(A)	A roadside stand that is not an enclosed
11		structure, owned and operated by a producer for
12		the display and sale of agricultural products
13		grown in Hawaii and value-added products that
14		were produced using agricultural products grown
15		in Hawaii;
16	(B)	Retail activities in an enclosed structure owned
17		and operated by a producer for the display and
18		sale of agricultural products grown in Hawaii,
19	•	value-added products that were produced using
20		agricultural products grown in Hawaii, logo items
21		related to the producer's agricultural
22		operations, and other food items; and

1	(C) A retail food establishment owned and operated by
2	a producer and permitted under [title 11,]
3	chapter 12 of the rules of the department of
4	health that prepares and serves food at retail
5	using products grown in Hawaii and value-added
6	products that were produced using agricultural
7	products grown in Hawaii.
8	The owner of an agricultural-based commercial
9	operation shall certify, upon request of an officer or
10	agent charged with enforcement of this chapter under
11	section 205-12, that the agricultural products
12	displayed or sold by the operation meet the
13	requirements of this paragraph.
14	Agricultural districts shall not include golf courses and golf
15	driving ranges, except as provided in section 205-4.5(d).
16	Agricultural districts include areas that are not used for, or
17	that are not suited to, agricultural and ancillary activities by
18	reason of topography, soils, and other related characteristics."
19	SECTION 3. Section 205-4.5, Hawaii Revised Statutes, is
20	amended by amending subsection (a) to read as follows:
21	"(a) Within the agricultural district, all lands with soil
22	classified by the land study bureau's detailed land
	HB2203 HD2 HMS 2014-2044

1	Classilic	ation as overall (master) productivity rating class A
2	or B shal	l be restricted to the following permitted uses:
3	(1)	Cultivation of crops, including crops for bioenergy,
4		flowers, vegetables, foliage, fruits, forage, and
5		timber;
6	(2)	Game and fish propagation;
7	(3)	Raising of livestock, including poultry, bees, fish,
8		or other animal or aquatic life that are propagated
9		for economic or personal use;
10	(4)	Farm dwellings, employee housing, farm buildings, or
11		activities or uses related to farming and animal
12		husbandry. "Farm dwelling", as used in this
13		paragraph, means a single-family dwelling located on
14		and used in connection with a farm, including clusters
15		of single-family farm dwellings permitted within
16		agricultural parks developed by the State, or where
17		agricultural activity provides income to the family
18		occupying the dwelling;

- (5) Public institutions and buildings that are necessary for agricultural practices;
- (6) Public and private open area types of recreational
  uses, including day camps, picnic grounds, parks, and

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I		riding stables, but not including dragstrips,
2		airports, drive-in theaters, golf courses, golf
3		driving ranges, country clubs, and overnight camps;
4	(7)	Public, private, and quasi-public utility lines and
5		roadways, transformer stations, communications
6		equipment buildings, solid waste transfer stations,
7		major water storage tanks, and appurtenant small
8		buildings such as booster pumping stations, but not
9		including offices or yards for equipment, material,
10		vehicle storage, repair or maintenance, treatment
11		plants, corporation yards, or other similar
12		structures;
13	(8)	Retention, restoration, rehabilitation, or improvement
14		of buildings or sites of historic or scenic interest;
15	(9)	Agricultural-based commercial operations as described
16		in section [+]205-2(d)(15)[+];
17	(10)	Buildings and uses, including mills, storage, and
18		processing facilities, maintenance facilities,
19		photovoltaic, biogas, and other small-scale renewable
20		energy systems producing energy solely for use in the
21		agricultural activities of the fee or leasehold owner
22		of the property, and vehicle and equipment storage

•		areas that are normally considered directly accessory
2		to the above-mentioned uses and are permitted under
3		section 205-2(d);
4	(11)	Agricultural parks;
5	(12)	Plantation community subdivisions, which as used in
6		this chapter means an established subdivision or
7		cluster of employee housing, community buildings, and
8	· .	agricultural support buildings on land currently or
9		formerly owned, leased, or operated by a sugar or
10		pineapple plantation; provided that the existing
11		structures may be used or rehabilitated for use, and
12		new employee housing and agricultural support
13		buildings may be allowed on land within the
14		subdivision as follows:
15		(A) The employee housing is occupied by employees or
16		former employees of the plantation who have a
17		property interest in the land;
18		(B) The employee housing units not owned by their
19		occupants shall be rented or leased at affordable
20		rates for agricultural workers; or

1		(C) The agricultural support buildings shall be
2		rented or leased to agricultural business
3		operators or agricultural support services;
4	(13)	Agricultural tourism conducted on a working farm, or a
5		farming operation as defined in section 165-2, for the
6		enjoyment, education, or involvement of visitors;
7		provided that the agricultural tourism activity is
8		accessory and secondary to the principal agricultural
9		use and does not interfere with surrounding farm
10		operations; and provided further that this paragraph
11		shall apply only to a county that has adopted
12		ordinances regulating agricultural tourism under
13		section 205-5;
14	(14)	Agricultural tourism activities, including overnight
15		accommodations of twenty-one days or less, for any one
16		stay within a county; provided that this paragraph
17		shall apply only to a county that includes at least
18		three islands and has adopted ordinances regulating
19		agricultural tourism activities pursuant to section
20		205-5; provided further that the agricultural tourism
21		activities coexist with a bona fide agricultural
22		activity. For the purposes of this paragraph, "bona

1		fide agricultural activity" means a farming operation
2		as defined in section 165-2;
3	(15)	Wind energy facilities, including the appurtenances
4		associated with the production and transmission of
5		wind generated energy; provided that the wind energy
6		facilities and appurtenances are compatible with
7		agriculture uses and cause minimal adverse impact on
8		agricultural land;
9	(16)	Biofuel processing facilities, including the
10		appurtenances associated with the production and
11		refining of biofuels that is normally considered
12		directly accessory and secondary to the growing of the
13		energy feedstock; provided that biofuel processing
14		facilities and appurtenances do not adversely impact
15		agricultural land and other agricultural uses in the
16		vicinity.
17		For the purposes of this paragraph:
18		"Appurtenances" means operational infrastructure
19		of the appropriate type and scale for economic
20		commercial storage and distribution, and other similar
21		handling of feedstock, fuels, and other products of
22		biofuel processing facilities.

1		"Biofuel processing facility" means a facility
2		that produces liquid or gaseous fuels from organic
3		sources such as biomass crops, agricultural residues,
4		and oil crops, including palm, canola, soybean, and
5	·	waste cooking oils; grease; food wastes; and animal
6		residues and wastes that can be used to generate
7		energy;
8	(17)	Agricultural-energy facilities, including
9		appurtenances necessary for an agricultural-energy
10		enterprise; provided that the primary activity of the
11		agricultural-energy enterprise is agricultural
12		activity. To be considered the primary activity of an
13		agricultural-energy enterprise, the total acreage
14		devoted to agricultural activity shall be not less
15		than ninety per cent of the total acreage of the
16		agricultural-energy enterprise. The agricultural-
17		energy facility shall be limited to lands owned,
18		leased, licensed, or operated by the entity conducting
19		the agricultural activity.
20		As used in this paragraph:
21		"Agricultural activity" means any activity
22		described in paragraphs (1) to (3) of this subsection.

I		Agriculturar-energy enterprise means an
2		enterprise that integrally incorporates an
3		agricultural activity with an agricultural-energy
4		facility.
5		"Agricultural-energy facility" means a facility
6		that generates, stores, or distributes renewable
7		energy as defined in section 269-91 or renewable fuel
8		including electrical or thermal energy or liquid or
9		gaseous fuels from products of agricultural activities
10		from agricultural lands located in the State.
11		"Appurtenances" means operational infrastructure
12		of the appropriate type and scale for the economic
13		commercial generation, storage, distribution, and
14		other similar handling of energy, including equipment,
15		feedstock, fuels, and other products of agricultural-
16		energy facilities;
17	(18)	Construction and operation of wireless communication
18		antennas; provided that, for the purposes of this
19		paragraph, "wireless communication antenna" means
20		communications equipment that is either freestanding
21		or placed upon or attached to an already existing
22		structure and that transmits and receives

1		electromagnetic radio signals used in the provision of
2		all types of wireless communications services;
3		provided further that nothing in this paragraph shall
4		be construed to permit the construction of any new
5		structure that is not deemed a permitted use under
6		this subsection;
7	(19)	Agricultural education programs conducted on a farming
8		operation as defined in section 165-2, for the
9		education and participation of the general public;
10		provided that the agricultural education programs are
11		accessory and secondary to the principal agricultural
12		use of the parcels or lots on which the agricultural
13		education programs are to occur and do not interfere
14		with surrounding farm operations. For the purposes of
15		this section, "agricultural education programs" means
16		activities or events designed to promote knowledge and
17		understanding of agricultural activities and practices
18		conducted on a farming operation as defined in section
19		165-2;
20	(20)	Solar energy facilities [that do not occupy more than
21		ten per cent of the acreage of the parcel, or twenty
22		acres of land, whichever is lesser; ] for which a

1	sp	ecial use permit has been granted pursuant to
2	se	ction 205-6; provided that [this]:
3	<u>(A</u>	The area occupied by the solar energy facilities
4		is also made available for compatible
5		agricultural activities at a lease rate that is
6		at least fifty per cent below the fair market
7		rent for comparable properties;
8	<u>(B</u> )	The solar energy facilities shall be
9		decommissioned and removed within twelve months
10		of the conclusion of the operation; and
11	(C)	This use shall not be permitted on lands with
12		soil classified by the land study bureau's
13		detailed land classification as overall (master)
14		productivity rating class $A[+]$ .
15	<u>Fo:</u>	r the purposes of this paragraph, "agricultural
16	act	tivities" means the activities described in
17	<u>pa:</u>	ragraphs (1) to (3); or
18	[+](21)[+]	Geothermal resources exploration and geothermal
19	re	sources development, as defined under section
20	182	2-1."

- 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 on January 1, 2030.

### Report Title:

Agricultural Lands; Solar Energy

### Description:

Allows solar energy facilities on agricultural lands with soil classified as class B or C under a special use permit if the area is also made available for compatible agricultural activities and the facilities are decommissioned and removed within twelve months of the conclusion of operation. Effective January 1, 2030. (HB2203 HD2)

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