### A BILL FOR AN ACT

RELATING TO HYDROELECTRIC POWER.

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

- 1 SECTION 1. The legislature finds that the development of
- 2 hydroelectric energy-generating facilities in Hawaii is vital to
- 3 the energy security and energy independence of the State.
- 4 Increased use of renewable energy resources will achieve broad
- 5 societal benefits, including resistance to oil price increases,
- 6 environmental sustainability, economic development, and job
- 7 creation.
- 8 The legislature further finds that while Hawaii's
- 9 agricultural land is a fundamentally important and diminishing
- 10 resource that is pivotal to the State's initiatives in food
- 11 security, hydroelectric facilities may be located on
- 12 agricultural lands in a manner that promotes both food and
- 13 energy security.
- 14 The purpose of this Act is to authorize construction of
- 15 small hydropower facilities as defined by the United States
- 16 Department of Energy in a manner that combines clean energy
- 17 infrastructure and irrigation for agricultural lands.



1	SECT	ION 2. Section 205-2, Hawaii Revised Statutes, is
2	amended by	y amending subsection (d) to read as follows:
3	" (d)	Agricultural districts shall include:
4	(1)	Activities or uses as characterized by the cultivation
5		of crops, crops for bioenergy, orchards, forage, and
6		forestry;
7	(2)	Farming activities or uses related to animal husbandry
8		and game and fish propagation;
9	(3)	Aquaculture, which means the production of aquatic
10		plant and animal life within ponds and other bodies of
11		water;
12	(4)	Wind generated energy production for public, private,
13		and commercial use;
14	(5)	Biofuel production, as described in section
15		205-4.5(a)(16), for public, private, and commercial
16		use;
17	(6)	Solar energy facilities; provided that:
18		(A) This paragraph shall apply only to land with soil
19		classified by the land study bureau's detailed
20		land classification as overall (master)
21		productivity rating class B, C, D, or E; and

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(B)	Solar energy facilities placed within land with
	soil classified as overall productivity rating
	class B or C shall not occupy more than ten per
	cent of the acreage of the parcel, or twenty
	acres of land, whichever is lesser, unless a
	special use permit is granted pursuant to section
	205-6;

the agricultural activities of the fee or leasehold owner of the property and accessory to any of the above activities, regardless of whether conducted on the same premises as the agricultural activities to which they are accessory, including farm dwellings as defined in section 205-4.5(a)(4), employee housing, farm buildings, mills, storage facilities, processing facilities, photovoltaic, biogas, and other small-scale renewable energy systems producing energy solely for use in the agricultural activities of the fee or leasehold owner of the property, agricultural-energy facilities as defined in section 205-4.5(a)(17), hydroelectric facilities in accordance with section

1		205-4.5(a)(23), vehicle and equipment storage areas,
2		and plantation community subdivisions as defined in
3		section 205-4.5(a)(12); provided that agricultural
4		districts may include hydroelectric facilities
5		permitted under section 205-4.5(a)(23), whether or not
6		the hydroelectric facility is a bona fide agricultural
7		service or use that supports the agricultural
8		activities of the fee or leasehold owner of the
9		property and is accessory to any of the above
10		activities;
11	(8)	Wind machines and wind farms;
12	(9)	Small-scale meteorological, air quality, noise, and
13		other scientific and environmental data collection and
14		monitoring facilities occupying less than one-half
15		acre of land; provided that these facilities shall not
16		be used as or equipped for use as living quarters or
17		dwellings;
18	(10)	Agricultural parks;
19	(11)	Agricultural tourism conducted on a working farm, or a
20		farming operation as defined in section 165-2, for the
21		enjoyment, education, or involvement of visitors;

1		provided that the agricultural tourism activity is
2		accessory and secondary to the principal agricultural
3		use and does not interfere with surrounding farm
4		operations; and provided further that this paragraph
5		shall apply only to a county that has adopted
6		ordinances regulating agricultural tourism under
7		section 205-5;
8	(12)	Agricultural tourism activities, including overnight
9		accommodations of twenty-one days or less, for any one
10		stay within a county; provided that this paragraph
11		shall apply only to a county that includes at least
12		three islands and has adopted ordinances regulating
13		agricultural tourism activities pursuant to section
14		205-5; provided further that the agricultural tourism
15		activities coexist with a bona fide agricultural
16		activity. For the purposes of this paragraph, "bona
17		fide agricultural activity" means a farming operation
18		as defined in section 165-2;
19	(13)	Open area recreational facilities;

1	(14)	Geot	hermal resources exploration and geothermal
2		resc	urces development, as defined under section 182-1;
3		and	·
4	(15)	Agri	cultural-based commercial operations, including:
5		(A)	A roadside stand that is not an enclosed
6			structure, owned and operated by a producer for
7			the display and sale of agricultural products
8			grown in Hawaii and value-added products that
9			were produced using agricultural products grown
10			in Hawaii;
11		(B)	Retail activities in an enclosed structure owned
12			and operated by a producer for the display and
13			sale of agricultural products grown in Hawaii,
14			value-added products that were produced using
15			agricultural products grown in Hawaii, logo items
16			related to the producer's agricultural
17			operations, and other food items; and
18		(C)	A retail food establishment owned and operated by
19			a producer and permitted under title 11, chapter
20			12 of the rules of the department of health that
21			prepares and serves food at retail using products

1	grown in Hawaii and value-added products that
2	were produced using agricultural products grown
3	in Hawaii.
4	The owner of an agricultural-based commercial
5	operation shall certify, upon request of an officer or
6	agent charged with enforcement of this chapter under
7	section 205-12, that the agricultural products
8	displayed or sold by the operation meet the
9	requirements of this paragraph.
10	Agricultural districts shall not include golf courses and golf
11	driving ranges, except as provided in section 205-4.5(d).
12	Agricultural districts include areas that are not used for, or
13	that are not suited to, agricultural and ancillary activities by
14	reason of topography, soils, and other related characteristics."
15	SECTION 3. Section 205-4.5, Hawaii Revised Statutes, is
16	amended by amending subsection (a) to read as follows:
17	"(a) Within the agricultural district, all lands with soil
18	classified by the land study bureau's detailed land
19	classification as overall (master) productivity rating class A
20	or B and for solar energy facilities, class B or C, shall be
21	restricted to the following permitted uses:

1	(1)	Cultivation of crops, including crops for bioenergy,
2		flowers, vegetables, foliage, fruits, forage, and
3		timber;
4	(2)	Game and fish propagation;
5	(3)	Raising of livestock, including poultry, bees, fish,
6		or other animal or aquatic life that are propagated
7		for economic or personal use;
8	(4)	Farm dwellings, employee housing, farm buildings, or
9		activities or uses related to farming and animal
10		husbandry. "Farm dwelling", as used in this
11		paragraph, means a single-family dwelling located on
12		and used in connection with a farm, including clusters
13		of single-family farm dwellings permitted within
14		agricultural parks developed by the State, or where
15		agricultural activity provides income to the family
16		occupying the dwelling;
17	(5)	Public institutions and buildings that are necessary
18		for agricultural practices;
19	(6)	Public and private open area types of recreational
20		uses, including day camps, picnic grounds, parks, and

riding stables, but not including dragstrips,

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

1		areas that are normarry 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

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

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handling of feedstock, fuels, and other products ofbiofuel processing facilities.

"Biofuel processing facility" means a facility
that produces liquid or gaseous fuels from organic
sources such as biomass crops, agricultural residues,
and oil crops, including palm, canola, soybean, and
waste cooking oils; grease; food wastes; and animal
residues and wastes that can be used to generate
energy;

Agricultural-energy facilities, including 10 (17)11 appurtenances necessary for an agricultural-energy enterprise; provided that the primary activity of the 12 13 agricultural-energy enterprise is agricultural activity. To be considered the primary activity of an 14 agricultural-energy enterprise, the total acreage 15 16 devoted to agricultural activity shall be not less 17 than ninety per cent of the total acreage of the 18 agricultural-energy enterprise. The agricultural-19 energy facility shall be limited to lands owned, 20 leased, licensed, or operated by the entity conducting 21 the agricultural activity.

1		As used in this paragraph:
2		"Agricultural activity" means any activity
3		described in paragraphs (1) to (3) of this subsection.
4		"Agricultural-energy enterprise" means an
5		enterprise that integrally incorporates an
6		agricultural activity with an agricultural-energy
7		facility.
8		"Agricultural-energy facility" means a facility
9		that generates, stores, or distributes renewable
10		energy as defined in section 269-91 or renewable fuel
11		including electrical or thermal energy or liquid or
12		gaseous fuels from products of agricultural activities
13		from agricultural lands located in the State.
14		"Appurtenances" means operational infrastructure
15		of the appropriate type and scale for the economic
16		commercial generation, storage, distribution, and
17		other similar handling of energy, including equipment
18		feedstock, fuels, and other products of agricultural-
19		energy facilities;
20	(18)	Construction and operation of wireless communication
21		antennas; provided that, for the purposes of this

1		paragraph, "wireless communication antenna" means
2		communications equipment that is either freestanding
3		or placed upon or attached to an already existing
4		structure and that transmits and receives
5		electromagnetic radio signals used in the provision of
6		all types of wireless communications services;
7		provided further that nothing in this paragraph shall
8		be construed to permit the construction of any new
9		structure that is not deemed a permitted use under
10		this subsection;
11	(19)	Agricultural education programs conducted on a farming
12		operation as defined in section 165-2, for the
13		education and participation of the general public;
14		provided that the agricultural education programs are
15		accessory and secondary to the principal agricultural
16		use of the parcels or lots on which the agricultural
17		education programs are to occur and do not interfere
18		with surrounding farm operations. For the purposes of
19		this section, "agricultural education programs" means
20		activities or events designed to promote knowledge and

understanding of agricultural activities and practices

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1		condi	icted on a farming operation as defined in section		
2		165-2	2;		
3	(20)	Solar	r energy facilities that do not occupy more than		
4		ten p	per cent of the acreage of the parcel, or twenty		
5		acres	s of land, whichever is lesser or for which a		
6		special use permit is granted pursuant to section 205-			
7		6; p:	6; provided that this use shall not be permitted on		
8		lands with soil classified by the land study bureau's			
9		deta	detailed land classification as overall (master)		
10		productivity rating class A unless the solar energy			
11		faci	facilities are:		
12		(A)	Located on a paved or unpaved road in existence		
13			as of December 31, 2013, and the parcel of land		
14			upon which the paved or unpaved road is located		
15			has a valid county agriculture tax dedication		
16			status or a valid agricultural conservation		
17			easement;		
18		(B)	Placed in a manner that still allows vehicular		
19			traffic to use the road; and		
20		(C)	Granted a special use permit by the commission		
21			pursuant to section 205-6;		

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2		by th	ne land study bureau's detailed land
3		class	sification as overall (master) productivity rating
4		B or	C for which a special use permit is granted
5		pursu	uant to section 205-6; provided that:
6		(A)	The area occupied by the solar energy facilities
7			is also made available for compatible
8			agricultural activities at a lease rate that is
9			at least fifty per cent below the fair market
10			rent for comparable properties;
11		(B)	Proof of financial security to decommission the
12			facility is provided to the satisfaction of the
13			appropriate county planning commission prior to
14			date of commencement of commercial generation;
15			and
16		(C)	Solar energy facilities shall be decommissioned
17			at the owner's expense according to the following
18			requirements:
19			(i) Removal of all equipment related to the
20			solar energy facility within twelve months

1		of the conclusion of operation or useful
2		life; and
3		(ii) Restoration of the disturbed earth to
4		substantially the same physical condition as
5		existed prior to the development of the
6		solar energy facility.
7		For the purposes of this paragraph, "agricultural
8		activities" means the activities described in
9		paragraphs (1) to (3);
10	(22)	Geothermal resources exploration and geothermal
11		resources development, as defined under section 182-1;
12		or
13	(23)	Hydroelectric facilities, including the appurtenances
14		associated with the production and transmission of
15		hydroelectric energy, subject to section 205-2;
16		provided that the hydroelectric facilities and their
17		appurtenances:
18		(A) [Have a hydroelectric generating capacity of not
19		more than five hundred kilowatts;   Shall consist
20		of a small hydropower facility as defined by the
21		United States Department of Energy, including:

1	<u>(i)</u>	Impoundment facilities using a dam to store
2		water in a reservoir;
3	<u>(ii)</u>	A diversion or run-of-river facility which
4		channels a portion of a river through a
5		canal or channel; and
6	(iii)	Pumped storage facilities that store energy
7		by pumping water uphill to a reservoir at
8		higher elevation from a reservoir at a lower
9		elevation to be released to turn a turbine
10		to generate electricity;
11	(B) Con	aply with the state water code, chapter 174C;
12	(C) [ <del>A</del>	re accessory to agricultural activities on
13	<del>ag1</del>	ricultural land for agricultural use only; and]
14	Sha	all, if over five hundred kilowatts in
15	hyd	droelectric generating capacity, have the
16	apr	proval of the commission on water resource
17	mar	nagement, including a new instream flow
18	sta	andard established for the hydroelectric
19	fac	cility in question;
20	(D) Do	not adversely impact or impede the use of
21	agı	ricultural land or the availability of surface

1	or ground water for all uses on all parcels that
2	are served by the ground water sources or streams
3	for which hydroelectric facilities are
4	considered[-]; and
5	(E) Shall only wheel to non-contiguous sites that
6	have bona fide agricultural activities, as
7	defined in paragraph 205-2(12)."
8	SECTION 4. Statutory material to be repealed is bracketed
9	and stricken. New statutory material is underscored.
10	SECTION 5. This Act shall take effect on July 1, 2112;
11	provided that the amendments made to section 205-4.5(a)(23),
12	Hawaii Revised Statutes, by section 3 of this Act shall not be
13	repealed when section 205-4.5, Hawaii Revised Statutes, is
14	reenacted on June 30, 2019, pursuant to section 3 of Act 52,
15	Session Laws of Hawaii 2014.

#### Report Title:

Small Hydropower Facilities; Agricultural District Lands

### Description:

Permits hydroelectric facilities that are considered small hydropower facilities under federal law on Agricultural District lands. (HB2077 HD2)

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