

JAN 23 2026

A BILL FOR AN ACT

RELATING TO FARM EMPLOYEE HOUSING.

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

1 SECTION 1. Section 205-4.5, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending subsection (a) to read:

4 "(a) Within the agricultural district, all lands with soil
5 classified by the land study bureau's detailed land
6 classification as overall (master) productivity rating class A
7 or B and for solar energy facilities, class B or C, shall be
8 restricted to the following permitted uses:

9 (1) Cultivation of crops, including crops for bioenergy,
10 flowers, vegetables, foliage, fruits, forage, and
11 timber;

12 (2) Game and fish propagation;

13 (3) Raising of livestock, including poultry, bees, fish,
14 or other animal or aquatic life that are propagated
15 for economic or personal use;

16 (4) Farm dwellings, employee housing, farm buildings, or
17 activities or uses related to farming and animal



1 husbandry. For the purposes of this paragraph, "farm
2 dwelling" means a single-family dwelling located on
3 and accessory to a farm, including clusters of single-
4 family farm dwellings permitted within agricultural
5 parks developed by the State, or where agricultural
6 activity provides income to the family occupying the
7 dwelling;

8 (5) Public institutions and buildings that are necessary
9 for agricultural practices;

10 (6) Public and private open area types of recreational
11 uses, including day camps, picnic grounds, parks, and
12 riding stables, but not including dragstrips,
13 airports, drive-in theaters, golf courses, golf
14 driving ranges, country clubs, and overnight camps;
15 provided that overnight camps in operation before
16 January 1, 1961, may be approved by special permit;

17 (7) Public, private, and quasi-public utility lines and
18 roadways, transformer stations, communications
19 equipment buildings, solid waste transfer stations,
20 major water storage tanks, and appurtenant small
21 buildings such as booster pumping stations, but not



1 including offices or yards for equipment, material,
2 vehicle storage, repair or maintenance, treatment
3 plants, corporation yards, or other similar
4 structures;

5 (8) Retention, restoration, rehabilitation, or improvement
6 of buildings or sites of historic or scenic interest;

7 (9) Agricultural-based commercial operations as described
8 in section 205-2(d)(15);

9 (10) Buildings and uses, including mills, storage, and
10 processing facilities, maintenance facilities,
11 photovoltaic, biogas, and other small-scale renewable
12 energy systems producing energy solely for use in the
13 agricultural activities of the fee or leasehold owner
14 of the property, and vehicle and equipment storage
15 areas that are normally considered directly accessory
16 to the above-mentioned uses and are permitted under
17 section 205-2(d);

18 (11) Agricultural parks;

19 (12) Plantation community subdivisions, which as used in
20 this chapter means an established subdivision or
21 cluster of employee housing, community buildings, and



1 agricultural support buildings on land currently or
2 formerly owned, leased, or operated by a sugar or
3 pineapple plantation; provided that the existing
4 structures may be used or rehabilitated for use, and
5 new employee housing and agricultural support
6 buildings may be allowed on land within the
7 subdivision as follows:

8 (A) The employee housing is occupied by employees or
9 former employees of the plantation who have a
10 property interest in the land;

11 (B) The employee housing units not owned by their
12 occupants shall be rented or leased at affordable
13 rates for agricultural workers; or

14 (C) The agricultural support buildings shall be
15 rented or leased to agricultural business
16 operators or agricultural support services;

17 (13) Agricultural tourism conducted on a working farm, or a
18 farming operation as defined in section 165-2, for the
19 enjoyment, education, or involvement of visitors;
20 provided that the agricultural tourism activity is
21 accessory and secondary to the principal agricultural



1 use and does not interfere with surrounding farm
2 operations; provided further that this paragraph shall
3 apply only to a county that has adopted ordinances
4 regulating agricultural tourism under section 205-5;

5 (14) Agricultural tourism activities, including overnight
6 accommodations of twenty-one days or less, for any one
7 stay within a county; provided that this paragraph
8 shall apply only to a county that includes at least
9 three islands and has adopted ordinances regulating
10 agricultural tourism activities pursuant to section
11 205-5; provided further that the agricultural tourism
12 activities coexist with a bona fide agricultural
13 activity. For the purposes of this paragraph, "bona
14 fide agricultural activity" means a farming operation
15 as defined in section 165-2;

16 (15) Wind energy facilities, including the appurtenances
17 associated with the production and transmission of
18 wind generated energy; provided that the wind energy
19 facilities and appurtenances are compatible with
20 agriculture uses and cause minimal adverse impact on
21 agricultural land;



1 (16) Biofuel processing facilities, including the
2 appurtenances associated with the production and
3 refining of biofuels that is normally considered
4 directly accessory and secondary to the growing of the
5 energy feedstock; provided that biofuel processing
6 facilities and appurtenances do not adversely impact
7 agricultural land and other agricultural uses in the
8 vicinity.

9 For the purposes of this paragraph:

10 "Appurtenances" means operational infrastructure
11 of the appropriate type and scale for economic
12 commercial storage and distribution, and other similar
13 handling of feedstock, fuels, and other products of
14 biofuel processing facilities.

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



1 (17) Agricultural-energy facilities, including
2 appurtenances necessary for an agricultural-energy
3 enterprise; provided that the primary activity of the
4 agricultural-energy enterprise is agricultural
5 activity. To be considered the primary activity of an
6 agricultural-energy enterprise, the total acreage
7 devoted to agricultural activity shall be no less than
8 ninety per cent of the total acreage of the
9 agricultural-energy enterprise. The agricultural-
10 energy facility shall be limited to lands owned,
11 leased, licensed, or operated by the entity conducting
12 the agricultural activity.

13 As used in this paragraph:

14 "Agricultural activity" means any activity
15 described in paragraphs (1) to (3) of this subsection.

16 "Agricultural-energy enterprise" means an
17 enterprise that integrally incorporates an
18 agricultural activity with an agricultural-energy
19 facility.

20 "Agricultural-energy facility" means a facility
21 that generates, stores, or distributes renewable



1 energy as defined in section 269-91 or renewable fuel
2 including electrical or thermal energy or liquid or
3 gaseous fuels from products of agricultural activities
4 from agricultural lands located in the State.

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

11 (18) Construction and operation of wireless communication
12 antennas, including small wireless facilities;
13 provided that, for the purposes of this paragraph,
14 "wireless communication antenna" means communications
15 equipment that is either freestanding or placed upon
16 or attached to an already existing structure and that
17 transmits and receives electromagnetic radio signals
18 used in the provision of all types of wireless
19 communications services; provided further that "small
20 wireless facilities" shall have the same meaning as in
21 section 206N-2; provided further that nothing in this



1 paragraph shall be construed to permit the
2 construction of any new structure that is not deemed a
3 permitted use under this subsection;

4 (19) Agricultural education programs conducted on a farming
5 operation as defined in section 165-2, for the
6 education and participation of the general public;
7 provided that the agricultural education programs are
8 accessory and secondary to the principal agricultural
9 use of the parcels or lots on which the agricultural
10 education programs are to occur and do not interfere
11 with surrounding farm operations. For the purposes of
12 this paragraph, "agricultural education programs"
13 means activities or events designed to promote
14 knowledge and understanding of agricultural activities
15 and practices conducted on a farming operation as
16 defined in section 165-2;

17 (20) Solar energy facilities that do not occupy more than
18 ten per cent of the acreage of the parcel, or twenty
19 acres of land, whichever is lesser or for which a
20 special use permit is granted pursuant to section 205-
21 6; provided that this use shall not be permitted on



lands with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class A;

(21) Solar energy facilities on lands with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating B or C for which a special use permit is granted pursuant to section 205-6; provided that:

(A) The area occupied by the solar energy facilities is also made available for compatible agricultural activities at a lease rate that is at least fifty per cent below the fair market rent for comparable properties;

(B) Proof of financial security to decommission the facility is provided to the satisfaction of the appropriate county planning commission before the date of commencement of commercial generation; and

(C) Solar energy facilities shall be decommissioned at the owner's expense according to the following requirements:



(i) Removal of all equipment related to the solar energy facility within twelve months of the conclusion of operation or useful life; and

(ii) Restoration of the disturbed earth to substantially the same physical condition as existed before the development of the solar energy facility.

For the purposes of this paragraph, "agricultural activities" means the activities described in paragraphs (1) to (3);

(22) Geothermal resources exploration and geothermal resources development, as defined under section 182-1;

(23) Hydroelectric facilities, including the appurtenances associated with the production and transmission of hydroelectric energy, subject to section 205-2; provided that the hydroelectric facilities and their appurtenances:

(A) Shall consist of a small hydropower facility as defined by the United States Department of Energy, including:



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- 1 (i) Impoundment facilities using a dam to store
2 water in a reservoir;
- 3 (ii) A diversion or run-of-river facility that
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) Comply with the state water code, chapter 174C;
- 12 (C) Shall, if over five hundred kilowatts in
13 hydroelectric generating capacity, have the
14 approval of the commission on water resource
15 management, including a new instream flow
16 standard established for any new hydroelectric
17 facility; and
- 18 (D) Do not impact or impede the use of agricultural
19 land or the availability of surface or ground
20 water for all uses on all parcels that are served



by the ground water sources or streams for which
hydroelectric facilities are considered; ~~[or]~~

(24) Notwithstanding any other law to the contrary,
composting and co-composting operations; provided that
operations that process their own green waste and do
not require permits from the department of health
shall use the finished composting product only on the
operation's own premises to minimize the potential
spread of invasive species~~[-]~~; or

(25) Notwithstanding any other law to the contrary, farm
cluster housing; provided that a landowner or lessee
may apply to a county for a permit, in a form to be
determined by the county, that allows the landowner or
lessee to develop, construct, and maintain farm
cluster housing for rent to farmers and farm employees
who actively and currently farm and their immediate
family members; provided further that:

(A) Each county shall adopt ordinances to allow farm
cluster housing, which shall provide for:

(i) Exemption from other county subdivision
ordinances;



- 1 (ii) The development of more units per lot than
2 allowed by applicable county zoning;
- 3 (iii) Approval of the farm cluster housing plans
4 by each county's planning director; and
- 5 (iv) The submission to the applicable county of
6 the landowner or lessee's agricultural plan
7 or agricultural business plan supporting the
8 development of farm cluster housing and
9 providing evidence of a real property
10 agricultural tax dedication granted by the
11 county; provided further that the
12 agricultural plan and agricultural tax
13 dedication verification shall be submitted
14 to the appropriate county agency for review
15 and comment and may be submitted by the
16 county to the department of agriculture and
17 biosecurity for review and comment, before
18 any county action on the application;
- 19 (B) The farm cluster housing units shall not be used
20 for short-term transient vacation rentals;



1 (C) All farm cluster housing units shall be leased or
2 rented to a farmer or farm employee who is
3 farming the lands upon which the farm cluster
4 housing is situated, or other lands owned by the
5 owner or lessee who owns the farm cluster
6 housing; provided further that this restriction
7 shall be stated in any applicable rental
8 documents;

9 (D) The officer or agency charged with the
10 administration of county zoning laws within each
11 county shall enforce the building and use
12 restrictions in this section and impose penalties
13 for violations of any provision of this section
14 or of any related county permit;

15 (E) Farm dwellings and employee housing units that
16 are not processed as farm cluster housing
17 pursuant to this section shall be subject to all
18 applicable state laws, county ordinances, and
19 rules.

20 For the purposes of this paragraph, "farm cluster housing"
21 means an agricultural housing development that concentrates farm



1 dwellings and farm employee housing units and shared
2 infrastructure in a compact area within the larger lot and
3 minimizes the land area occupied by the housing development; and
4 "short-term vacation rental" means "short-term rental home",
5 "transient vacation rental", "transient vacation unit", or
6 "transient vacation use", as those terms are defined by county
7 ordinance."

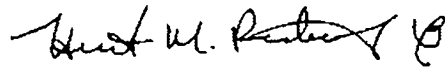
8 2. By amending subsection (c) to read:

9 "(c) Within the agricultural district, all lands with soil
10 classified by the land study bureau's detailed land
11 classification as overall (master) productivity rating class C,
12 D, E, or U shall be restricted to the uses permitted for
13 agricultural districts as set forth in subsection (a)(4) and
14 section 205-5(b)."

15 SECTION 2. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 3. This Act shall take effect upon its approval.

18
INTRODUCED BY: _____





S.B. NO. 2740

Report Title:

Counties; Farm Cluster Housing; Agricultural Districts;
Permissible Uses

Description:

Authorizes farm cluster housing on certain agricultural land within agricultural districts. Requires the counties adopt ordinances to allow farm cluster housing.

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

