A BILL FOR AN ACT

RELATING TO AGRICULTURAL LANDS.

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

- 1 SECTION 1. (a) The purpose of this Act is to establish
 2 new policies regarding the districting and protection of land in
 3 state agricultural districts. Under this Act, all lands in
- 4 agricultural districts are designated "important agricultural
- 5 land" for the purpose of article XI, section 3, of the state
- ${f 6}$ constitution. This Act rejects the previous approach of
- 7 establishing a two-tier agricultural districting and protection
- 8 system, one for "important agricultural land" and the second for
- 9 "other agricultural land".
- 10 (b) The most significant provision of this Act is set
- 11 forth in a new section that designates the land to be placed in
- 12 agricultural districts on July 1, 2010. Under the new section,
- 13 such land, deemed "important agricultural land", is identified
- 14 as:
- 15 (1) Certain land in the central Oahu/north shore area;
- 16 (2) Land within state agricultural parks;

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         (3) Other state-owned land that the department of
 2
              agriculture determines should remain or be included in
 3
              the state agricultural district; and
 4
         (4) Other land in the State that is within a "relevant
5
              county agricultural zoning district" on July 1, 2010.
6
    For land in the city and county of Honolulu and county of
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    Hawaii, each of which has more than one agricultural zoning
8
    district, "relevant county agricultural zoning district" means
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    the zoning district that is most protective of agricultural use.
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    For land in the county of Maui and county of Kauai, each of
11
    which has only one agricultural zoning district, "relevant
    county agricultural zoning district" means that zoning district.
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13
    If either county chooses to establish another more protective
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    agriculture zoning district before June 30, 2010, then "relevant
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    county agricultural zoning district" will mean the district that
16
    is more protective. Thus, this Act depends on the counties to
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    assist in the initial identification of important agricultural
18
    land.
19
         Notwithstanding the counties' initial involvement, this Act
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    provides that the re-designation of such land after July 1, 2010
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    shall be subject to chapter 205, Hawaii Revised Statutes. Thus,
22
    the legislature intends that the land use commission will be
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- 1 responsible for the re-designation of "important agricultural
- 2 land" of greater than fifteen acres and the counties will be
- 3 responsible for the re-designation of "important agricultural
- 4 land" of lesser area. As required by article XI, section 3, of
- 5 the Hawaii state constitution, a re-designation shall require
- 6 the affirmative vote of two-thirds of the members of the land
- 7 use commission.
- 8 (c) The legislature has identified the land included in
- 9 the agricultural district after application of the standards and
- 10 criteria of section 205-44. In this respect, the legislature
- 11 makes the following findings:
- 12 (1) The central Oahu/north shore area under subsection
- (b) (1) is a vast expanse of contiguous land generally
- 14 recognized as having high quality soil and growing
- 15 conditions for crops. The inclusion of the entire
- 16 area in the agricultural district comports with the
- 17 standards and criteria of section 205-44(1), (2), (5),
- 18 (6), (7), and (8). The inclusion of parts of the area
- 19 also comports with standard and criteria of section
- 20 205-44(3) or (4).
- 21 (2) Land within state agricultural parks is expressly
- intended for agricultural production. Inclusion of

1 each parcel of such land comports with the standard
2 and criterion of section 205-44(1).

- (3) With respect to other state-owned land placed in the agricultural district, the department of agriculture is required by law to determine that inclusion of such land comports with at least one of the standards and criteria of section 205-44. This duty is expressly delegated to the department, which the Legislature finds is very capable of making the determination.
- (4) The other land in the relevant county agricultural zoning district is land recognized by the counties as necessary for the preservation or operation of agricultural activity. The inclusion of each parcel of such land in the agricultural district comports with at least one of the standards and criteria of section 205-44.
- 17 (d) Other significant provisions of this Act are the
 18 following:
- 19 (1) The counties are authorized to enact rezoning
 20 ordinances before July 1, 2010 to include land in or
 21 exclude land from the state agricultural district;

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1	(2)	The vote threshold to approve a district boundary
2		amendment that does not remove land from the state
3		agricultural district is reduced to the affirmative
4		votes of a majority of the land use commission or
5		county land use decision-making authority, as
6		appropriate;
7	(3)	"Agricultural worker housing" is defined and made a
8		permitted use in the agricultural district and rural
9		district;
10	(4)	A "plantation community subdivision", already a
11		permitted use in the agricultural district, is also
12		made a permitted use in the rural district;
13	(5)	The issuance of a special permit for an unusual, but
14		reasonable, use of agricultural land requires the
15		affirmative vote of two-thirds of the relevant
16		decision-making body;
17	(6)	The standards and criteria for the reclassification
18		and rezoning of agricultural land are reaffirmed and
19		strengthened; and

(7) Unnecessary provisions established under Act 183,

agricultural land are repealed.

Session Laws of Hawaii 2005, regarding important

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1	SECT	ION 2. Chapter 205, Hawaii Revised Statutes, is
2	amended b	y adding two new sections to be appropriately
3	designate	d and to read as follows:
4	" <u>§</u> 20	5-A Agricultural district on July 1, 2010. (a)
5	Notwithst	anding any other laws to the contrary, for the purposes
6	of this c	hapter, "relevant county agriculture zoning district"
7	means:	
8	(1)	With respect to the city and county of Honolulu, the
9		"restricted agricultural" zoning district but not the
10		"general agricultural" zoning district;
11	(2)	With respect to the county of Maui, the "agricultural"
12		zoning district; provided that, if the county of Maui
13		establishes more than one agricultural zoning district
14		before July 1, 2010, the "relevant county agriculture
15		zoning district" shall mean the agriculture zoning
16		district that is identified by the county as most
17		protective of agricultural use;
18	(3)	With respect to the county of Kauai, the "agriculture"
19		zoning district; provided that, if the county of Kauai
20		establishes more than one agricultural zoning district
21		before July 1, 2010, the "relevant county agriculture
22		zoning district" shall mean the agriculture zoning

1		dist	rict that is identified by the county as most
2		prot	ective of agricultural use; and
3	(4)	With	respect to the county of Hawaii, the "intensive
4		agri	cultural" zoning district but not the "family
5		agri	cultural" or "agricultural" zoning district.
6	(b)	On J	uly 1, 2010, the following lands shall be included
7	in the st	ate a	gricultural district:
8	(1)	Land	in the central Oahu/north shore area within the
9		<u>foll</u>	owing tax map key parcels:
10		<u>(A)</u>	6-1-005-001;
11		<u>(B)</u>	6-1-006-001, but not that portion outside the
12			restricted agricultural zoning district of the
13			city and county of Honolulu on July 1, 2008;
14		<u>(C)</u>	6-1-007-001;
15		<u>(D)</u>	6-2-009-001;
16		<u>(E)</u>	6-2-010-001, but not that portion outside the
17			restricted agricultural zoning district of the
18			city and county of Honolulu on July 1, 2008;
19		<u>(F)</u>	6-2-011-001, but not that portion outside the
20			restricted agricultural zoning district of the
21			city and county of Honolulu on July 1, 2008;
22		(G)	6-4-001-001;

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              (H)
                   6-4-001-006;
 2
              (I)
                   6-4-002-001;
 3
              (J) 6-4-003-001;
 4
              (K)
                   6-4-003-003;
 5
              (L)
                   6-4-004-001;
 6
              (M)
                   6-5-001-002;
 7
              (N) 6-5-002-011;
 8
              (0) 6-5-002-018;
9
              (P) 6-5-002-019; and
         (2) Land within the boundaries of each of the following
10
11
              state agricultural parks:
12
                   On the island of Oahu: Waimanalo, Waianae,
              (A)
13
                   Kahuku, and Kalaeloa agricultural parks;
14
              (B) On the island of Hawaii: Pahoa, Panaewa,
15
                   Keahole, and Hamakua agricultural parks;
16
              (C) On the island of Kauai: Kekaha agricultural
17
                   park; and
18
                   The Molokai agricultural park;
              (D)
19
         (3) Other land owned by the State that the department of
20
              agriculture determines should remain or be included in
              the state agricultural district on July 1, 2010
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              because the land comports with at least one of the
 2
              standards and criteria of section 205-44; and
 3
         (4) Other land in the State that is within a relevant
 4
              county agriculture zoning district on July 1, 2010.
 5
              By October 1, 2010, the land use commission shall
 6
    issue maps of the state agricultural districts on each island.
 7
              The inclusion of land into or exclusion of land from
8
    the state agricultural districts on July 1, 2010, pursuant to
9
    this section shall not be subject to the district boundary
10
    amendment provisions of section 205-3.1 or section 205-4.
11
         (e) Land within the state agricultural district on
12
    June 30, 2010, that is excluded from that district on July 1,
13
    2010 pursuant to subsection (b) shall be included in the state
14
    rural district on July 1, 2010. The inclusion of the land into
    the state rural district on that date shall not be subject to
15
16
    the district boundary amendment provisions of section 205-3.1 or
17
    section 205-4.
18
         (f) After July 1, 2010, any land included in the state
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    agricultural or rural district pursuant to this section shall be
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    subject to the district boundary amendment provisions of this
21
    chapter.
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1	<u>§205</u>	-B County zoning map amendments before June 30, 2010.
2	(a) For	the purposes of this section, "rezoning ordinance"
3	means an	ordinance amending a zoning map or the narrative of a
4	zoning co	de or land use ordinance.
5	(b)	Each county, on its own initiative or upon application
6	of a pers	on, may review, process, and act upon any proposed
7	rezoning	ordinance that, on July 1, 2010, will include land in
8	or exclud	e land from the "relevant county agricultural zoning
9	district"	pursuant to section 205-A(b)(2); provided that:
10	(1)	A county through a rezoning ordinance shall not.
11		include land that is in the state urban, rural, or
12		conservation district on June 30, 2010 in the relevant
13		county agricultural zoning district;
14	(2)	The rezoning ordinance shall take effect on July 1,
15		2010 so that the subject land is included in or
16		excluded from the state agricultural district on that
17		date in accordance with section 205-A(b)(2);
18	(3)	When including land in the relevant county
19		agricultural zoning district by a rezoning ordinance,
20		the county shall find that the inclusion comports with
21		at least one of the standards and criteria of section
22		205-44; and

1	(4)	No rezoning ordinance enacted by any county shall
2		affect the inclusion into the state agricultural
3		district of the central Oahu/north shore area
4		identified under section 205-A(b)(1), the state
5		agricultural park land identified under section 205-
6		A(b)(2), or the state-owned land identified by the
7		department of agriculture under section 205-A(b)(3).
8	(c)	The county of Maui and the county of Kauai may also
9	create th	rough a rezoning ordinance more than one agricultural
10	zoning di	strict to separate land to be included in the state
11	agricultu	ral district from other agricultural land.
12	(d)	No rezoning ordinance enacted pursuant to this section
13	shall be	deemed a "proposed action" requiring the preparation of
14	an enviro	nmental assessment or environmental impact statement,
15	notwithst	anding section 343-5(a) or any other provision of
16	chapter 3	<u>43.</u>
17	<u>(e)</u>	This section shall be repealed on July 1, 2010."
18	SECT	ION 3. Section 205-1, Hawaii Revised Statutes, is
19	amended t	o read as follows:
20	"§20	5-1 Establishment of the commission. There shall be a
21	state lan	d use commission, hereinafter called the commission.
22	The commi	ssion shall consist of nine members who shall hold no
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- 1 other public office and shall be appointed in the manner and
- 2 serve for the term set forth in section 26-34. One member shall
- 3 be appointed from each of the counties and the remainder shall
- 4 be appointed at large; provided that one member shall have
- 5 substantial experience or expertise in traditional Hawaiian land
- 6 usage and knowledge of cultural land practices. The commission
- 7 shall elect its chairperson from one of its members. The
- 8 members shall receive no compensation for their services on the
- 9 commission, but shall be reimbursed for actual expenses incurred
- 10 in the performance of their duties. [Six affirmative votes
- 11 shall be necessary for any boundary amendment.
- 12 The commission shall be a part of the department of
- 13 business, economic development, and tourism for administration
- 14 purposes, as provided for in section 26-35.
- The commission may engage employees necessary to perform
- 16 its duties, including administrative personnel and an executive
- 17 officer. The executive officer shall be appointed by the
- 18 commission and the executive officer's position shall be exempt
- 19 from civil service. Departments of the state government shall
- 20 make available to the commission such data, facilities, and
- 21 personnel as are necessary for it to perform its duties. The
- 22 commission may receive and utilize gifts and any funds from the



1 federal or other governmental agencies. It shall adopt rules 2 guiding its conduct, maintain a record of its activities and 3 accomplishments, and make recommendations to the governor and to 4 the legislature through the governor." 5 SECTION 4. Section 205-2, Hawaii Revised Statutes, is 6 amended as follows: 7 1. By amending subsection (a) to read: 8 There shall be four major land use districts in which 9 all lands in the State shall be placed: urban, rural, 10 agricultural, and conservation. The land use commission shall 11 group contiguous land areas suitable for inclusion in one of 12 these four major districts. The commission shall set standards 13 for determining the boundaries of each district, provided that: 14 (1)In the establishment of boundaries of urban districts 15 those lands that are now in urban use and a sufficient 16 reserve area for foreseeable urban growth shall be 17 included; 18 (2) In the establishment of boundaries for rural 19 districts, areas of land composed primarily of small farms mixed with very low density residential lots, 20 21 which may be shown by a minimum density of not more 22 than one house per one-half acre and a minimum lot

1		size of not less than one-half acre shall be included,
2		except as [herein] provided[+] in this chapter;
3	(3)	In the establishment <u>and amendment</u> of the boundaries
4		of agricultural districts [the greatest possible
5		protection shall be given to those lands with a high
6		capacity for intensive cultivation;], section 205-A
7		shall apply on July 1, 2010, and section 205-50 shall
8		apply thereafter. All lands in agricultural districts
9		shall be designated "important agricultural lands" for
10		the purpose of article XI, section 3, of the state
11		constitution. For the purposes of this chapter,
12		"agricultural lands", "lands in the agricultural
13		district", and similar terms shall have the same
14		meaning as "important agricultural lands" as defined
15		in section 205-42; and
16	(4)	In the establishment of the boundaries of conservation
17		districts, the "forest and water reserve zones"
18		provided in Act 234, section 2, Session Laws of Hawaii
19		1957, are renamed "conservation districts" and,
20		effective as of July 11, 1961, the boundaries of the
21		forest and water reserve zones theretofore established
22		pursuant to Act 234, section 2, Session Laws of Hawaii

1	1957, shall constitute the boundaries of the	
2	conservation districts; provided that thereafter the	he
3	power to determine the boundaries of the conservat.	ion
4	districts shall be in the commission.	
5	In establishing the boundaries of the districts in each coun	ty,
6	the commission shall give consideration to the master plan of	r
7	general plan of the county."	
8	2. By amending subsections (c) and (d) to read:	
9	"(c) Rural districts shall include [activities]:	
10	(1) Activities or uses as characterized by low density	
11	residential lots of not more than one dwelling hous	se
12	per one-half acre, except as provided by this sect	ion
13	$\underline{\text{or}}$ county ordinance pursuant to section 46-4(c), in	n
14	areas where "city-like" concentration of people,	
15	structures, streets, and urban level of services as	re
16	absent, and where small farms are intermixed with I	low
17	density residential lots except that within a	
18	subdivision, as defined in section 484-1, the	
19	commission for good cause may allow one lot of less	3
20	than one-half acre, but not less than 18,500 square	9
21	feet, or an equivalent residential density, within	a
22	rural subdivision and permit the construction of or	ne

1		dwelling on such lot, provided that all other
2		dwellings in the subdivision shall have a minimum lot
3		size of one-half acre or 21,780 square feet. Such
4		petition for variance may be processed under the
5		special permit procedure[. These districts may
6		include contiguous];
7	(2)	Contiguous areas [which] that are not suited to low
8		density residential lots or small farms by reason of
9		topography, soils, and other related characteristics[-
10		Rural districts shall also include golf];
11	(3)	Golf courses, golf driving ranges, and golf-related
12		facilities[-];
13	(4)	Plantation community subdivisions, as defined in
14		section 205-4.5(a)(12), with higher residential
15		densities than specified under paragraph (1); and
16	(5)	Agricultural worker housing, as defined under section
17		205-4.5(a)(4), with higher residential densities than
18		specified under paragraph (1).
19	(d)	Agricultural districts shall include:
20	(1)	Activities or uses as characterized by the cultivation
21		of crops, crops for bioenergy, orchards, forage, and
22		forestry;

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1	(2)	Farming	act	civit	cies	or	use	s re	elated	to	animal
2		husbandr	îу,	and	game	ar	nd f	ish	propa	gati	lon;

- (3) Aquaculture, which means the production of aquatic plant and animal life within ponds and other bodies of water:
- (4) Wind generated energy production for public, private,
 and commercial use;
 - (5) Biofuel production as described in section
 205-4.5(a)(15) for public, private, and commercial use;
 - the agricultural services and uses that support the agricultural activities of the fee or leasehold owner of the property and accessory to any of the above activities, whether or not conducted on the same premises as the agricultural activities to which they are accessory, including but not limited to farm dwellings and agricultural worker housing as defined in section 205-4.5(a)(4), [employee housing,] farm buildings, mills, storage facilities, processing facilities, vehicle and equipment storage areas, roadside stands for the sale of products grown on the

1		premises, and plantation community subdivisions [as
2		defined in section 205-4.5(a)(12);
3	(7)	Wind machines and wind farms;
4	(8)	Small-scale meteorological, air quality, noise, and
5		other scientific and environmental data collection and
6		monitoring facilities occupying less than one-half
7		acre of land; provided that these facilities shall not
8		be used as or equipped for use as living quarters or
9		dwellings;
10	(9)	Agricultural parks;
11	(10)	Agricultural tourism conducted on a working farm, or a
12		farming operation as defined in section 165-2, for the
13		enjoyment, education, or involvement of visitors;
14		provided that the agricultural tourism activity is
15		accessory and secondary to the principal agricultural
16		use and does not interfere with surrounding farm
17		operations; and provided further that this paragraph
18		shall apply only to a county that has adopted
19		ordinances regulating agricultural tourism under
20		section 205-5; and
21	(11)	Open area recreational facilities.

1 Agricultural districts shall not include golf courses and golf 2 driving ranges, except as provided in section [205-4.5(d)]205-4.5(c). Agricultural districts also shall not include areas 3 that are [not used] unsuited for[, or that are not suited to,] 4 5 agricultural and ancillary activities by reason of topography, 6 soils, and other related characteristics." 7 SECTION 5. Section 205-3.1, Hawaii Revised Statutes, is 8 amended to read as follows: 9 "§205-3.1 Amendments to district boundaries. 10 District boundary amendments involving lands in the conservation 11 district[τ] or land areas greater than fifteen acres[τ or lands 12 delineated as important agricultural lands] shall be processed 13 by the land use commission pursuant to section 205-4. 14 (b) Any department or agency of the State, [and] 15 department or agency of the county in which the land is 16 situated, or any person with a property interest in the land 17 sought to be reclassified may petition the appropriate county 18 land use decision-making authority of the county in which the 19 land is situated for [a change in] an amendment to the boundary of [a district involving lands less than] land areas of fifteen 20 21 acres [presently] or less in the rural [and], urban [districts

and lands less than fifteen acres in the agricultural district

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1 that are not designated as important agricultural lands.], or 2 agricultural districts. 3 (c) District boundary amendments involving land areas of 4 fifteen acres or less[, except as provided in subsection (b),] in the rural, urban, or agricultural districts shall be 5 determined by the appropriate county land use decision-making 6 7 authority for the district and shall not require consideration 8 by the land use commission pursuant to section 205-4; provided 9 that such boundary amendments and approved uses are consistent 10 with this chapter. The appropriate county land use decision-11 making authority may consolidate proceedings to amend state land 12 use district boundaries pursuant to this subsection[7] with 13 county proceedings to amend the general plan, development plan, 14 zoning of the affected land $[\tau]$ or [such] other relevant 15 proceedings. Appropriate ordinances and rules to allow consolidation of such proceedings may be developed by the county 16 17 land use decision-making authority. The county land use decision-making authority shall 18 19 serve a copy of the application for a district boundary 20 amendment to the land use commission and the department of 21 business, economic development, and tourism and shall notify the 22 commission and the department of the time and place of the



- 1 hearing and the proposed amendments scheduled to be heard at the
- 2 hearing.
- 3 (e) The affirmative vote of a majority vote of the total
- 4 membership of the county land use decision-making authority
- 5 shall be necessary for any district boundary amendment under
- 6 this section; except that, pursuant to article XI, section 3, of
- 7 the state constitution, the affirmative vote of two-thirds of
- 8 the authority shall be necessary for any amendment removing land
- 9 from the agricultural district.
- 10 (f) A change in the state land use district boundaries
- 11 pursuant to this [subsection] section shall become effective on
- 12 the day designated by the county land use decision-making
- 13 authority in its decision. Within sixty days of the effective
- 14 date of any decision to amend state land use district boundaries
- 15 by the county land use decision-making authority, the decision
- 16 and the description and map of the affected property shall be
- 17 transmitted to the land use commission and the department of
- 18 business, economic development, and tourism by the county
- 19 planning director."
- 20 SECTION 6. Section 205-4, Hawaii Revised Statutes, is
- 21 amended as follows:
- 22 1. By amending subsection (a) to read:

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               Any department or agency of the State, any department
 2
    or agency of the county in which the land is situated, or any
 3
    person with a property interest in the land sought to be
 4
    reclassified [\tau] may petition the land use commission for [a]
 5
    change in] an amendment to the boundary of a district. This
 6
    section applies to all petitions for [changes in] amendments to
 7
    district boundaries of lands within conservation districts[7
 8
    lands designated or sought to be designated as important
 9
    agricultural lands, and lands greater than fifteen acres in the
10
    agricultural, rural, and urban districts, except as provided in
11
    section 201H-38. The land use commission shall adopt rules
12
    pursuant to chapter 91 to implement section 201H-38."
13
         2. By amending subsections (g) and (h) to read:
14
         "(g) Within a period of not more than three hundred sixty-
15
    five days after the proper filing of a petition, unless
16
    otherwise ordered by a court, or unless a time extension, which
17
    shall not exceed ninety days, is established by a two-thirds
18
    vote of the members of the commission, the commission, by filing
19
    findings of fact and conclusions of law, shall act to approve
20
    the petition, deny the petition, or to modify the petition by
21
    imposing conditions necessary to uphold the intent and spirit of
22
    this chapter or the policies and criteria established pursuant
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- 1 to section 205-17 and, if applicable, section 205-50 or to
- 2 assure substantial compliance with representations made by the
- 3 petitioner in seeking a boundary change. The commission may
- 4 provide by condition that absent substantial commencement of use
- 5 of the land in accordance with such representations, the
- 6 commission shall issue and serve upon the party bound by the
- 7 condition an order to show cause why the property should not
- 8 revert to its former land use classification or be changed to a
- 9 more appropriate classification. Such conditions, if any, shall
- 10 run with the land and be recorded in the bureau of conveyances.
- 11 (h) No amendment of a land use district boundary shall be
- 12 approved unless the commission finds upon the clear
- 13 preponderance of the evidence that the proposed boundary is
- 14 reasonable, not violative of section 205-2 and part III of this
- 15 chapter, and consistent with the policies and criteria
- 16 established pursuant to sections 205-16 [and], 205-17[...Six],
- 17 and, if applicable, section 205-50. Five affirmative votes of
- 18 the commission shall be necessary for any boundary amendment
- 19 under this section[-]; except that, pursuant to article XI,
- 20 section 3, of the state constitution, the affirmative vote of
- 21 two-thirds of the commission shall be necessary for any
- 22 amendment removing land from the agricultural district."



23

1	SECT	ION 7. Section 205-4.5, Hawaii Revised Statutes, is
2	amended t	o read as follows:
3	"§20	5-4.5 Permissible uses within the agricultural
4	districts	. (a) Within the agricultural district, all lands
5	[with soi	l classified by the land study bureau's detailed land
6	classific	ation as overall (master) productivity rating class A
7	or B] sha	ll be restricted to the following permitted uses:
8	(1)	Cultivation of crops, including but not limited to
9		crops for bioenergy, flowers, vegetables, foliage,
10		fruits, forage, and timber;
11	(2)	Game and fish propagation;
12	(3)	Raising of livestock, including but not limited to
13		poultry, bees, fish, or other animal or aquatic life
14		that are propagated for economic or personal use;
15	(4)	Farm dwellings, [employee] agricultural worker
16		housing, farm buildings, or activities or uses related
17		to farming and animal husbandry. "Farm dwelling", as
18		used in this paragraph, means a single-family dwelling
19		located on <u>a lot</u> and [used in connection with a farm,
20		including occupied by a family deriving income from
21		bona fide agricultural activity on the same lot.
22		"Farm dwelling" also means clusters of single-family

. 1		farm dwellings permitted within agricultural parks
2		developed by the State[, or where agricultural
3		activity provides income to the family occupying the
4		dwelling; and occupied by families deriving income
5		from bona fide agricultural activity in agricultural
6		parks. "Agricultural worker housing" means a
7		multifamily dwelling or cluster of single-family
8		dwellings on a lot that are rented to workers engaged
9		in bona fide agricultural activity on the same or
10		nearby lot and their families; provided that the
11		building area of the agricultural worker housing shall
12		not exceed two per cent of the total land area of the
13		lot, and a "nearby lot" means a lot within one mile of
14		the lot on which the agricultural worker housing is
15		situated;
16	(5)	Public institutions and buildings that are necessary
17		for agricultural practices;
18	(6)	Public and private open area types of recreational
19		uses, including day camps, picnic grounds, parks, and
20		riding stables, but not including dragstrips,
21		airports, drive-in theaters, golf courses, golf
22		driving ranges, country clubs, and overnight camps;

1	(7)	Public, private, and quasi-public utility lines and
2		roadways, transformer stations, communications
3		equipment buildings, solid waste transfer stations,
4		major water storage tanks, and appurtenant small
5		buildings such as booster pumping stations, but not
6		including offices or yards for equipment, material,
7		vehicle storage, repair or maintenance, treatment
8		plants, corporation yards, or other similar
9		structures;
10	(8)	Retention, restoration, rehabilitation, or improvement
11		of buildings or sites of historic or scenic interest;
12	(9)	Roadside stands for the sale of agricultural products
13		grown on the premises;
14	(10)	Buildings and uses, including but not limited to
15		mills, storage, and processing facilities, maintenance
16		facilities, and vehicle and equipment storage areas
17		that are normally considered directly accessory to the
18		above mentioned uses and are permitted under section
19		205-2(d);
20	(11)	Agricultural parks;
21	(12)	Plantation community subdivisions, which as used in
22		this paragraph means a subdivision or cluster of

1		employee housing, community buildings, and acreage
2		established on land currently or formerly owned,
3		leased, or operated by a sugar or pineapple plantation
4		and in residential use by employees or former
5		employees of the plantation; provided that the
6		employees or former employees shall have a property
7		interest in the land;
8	(13)	Agricultural tourism conducted on a working farm, or a
9		farming operation as defined in section 165-2, for the
10	è	enjoyment, education, or involvement of visitors;
11		provided that the agricultural tourism activity is
12		accessory and secondary to the principal agricultural
13		use and does not interfere with surrounding farm
14		operations; and provided further that this paragraph
15		shall apply only to a county that has adopted
16		ordinances regulating agricultural tourism under
17		section 205-5;
18	(14)	Wind energy facilities, including the appurtenances
19		associated with the production and transmission of
20		wind generated energy; provided that the wind energy
21		facilities and appurtenances are compatible with

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2		agricultural land;
3	(15)	Biofuel processing facilities, including the
4		appurtenances associated with the production and
5		refining of biofuels that is normally considered
6		directly accessory and secondary to the growing of the
7		energy feedstock; provided that biofuels processing
8		facilities and appurtenances do not adversely impact
9		agricultural land and other agricultural uses in the
10		vicinity.
11		For the purposes of this paragraph:
12		"Appurtenances" means operational infrastructure
13		of the appropriate type and scale for economic
14		commercial storage and distribution, and other similar
15		handling of feedstock, fuels, and other products of

biofuels processing facilities.

agriculture uses and cause minimal adverse impact on

"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

1		residues and wastes that can be used to generate
2		<pre>energy[+]; or[+</pre>
3	[] (16) []]	Construction and operation of wireless communication
4		antennas; provided that, for the purposes of this
5		paragraph, "wireless communication antenna" means
6		communications equipment that is either freestanding
7		or placed upon or attached to an already existing
8		structure and that transmits and receives
9		electromagnetic radio signals used in the provision of
10		all types of wireless communications services;
11		provided further that nothing in this paragraph shall
12		be construed to permit the construction of any new
13		structure that is not deemed a permitted use under
14		this subsection.
15	(b)	Uses not expressly permitted in subsection (a) shall
16	be prohib:	ited, except the uses permitted as provided in sections
17	205-6 and	205-8, and construction of single-family dwellings on
18	lots exist	ting before June 4, 1976.
19	Any o	other law to the contrary notwithstanding, no
20	subdivisio	on of land within the agricultural district [with soil
21	classific	d by the land-study bureau's detailed land
22	classifica	ation as overall (master) productivity rating class A
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- 1 or B] shall be approved by a county unless [those A and B] the
- 2 lands within the subdivision are made subject to the restriction
- 3 on uses as prescribed in this section and to the condition that
- 4 the uses shall be primarily in pursuit of an agricultural
- 5 activity. No new lots resulting from a subdivision shall be
- 6 used solely for residential occupancy, except as permitted under
- 7 this chapter or chapter 166.
- 8 Any deed, lease, agreement of sale, mortgage, or other
- 9 instrument of conveyance covering any land within the
- 10 [agricultural] subdivision shall expressly contain the
- 11 restriction on uses and the condition, as prescribed in this
- 12 section that these restrictions and conditions shall be
- 13 encumbrances running with the land until such time that the land
- 14 is reclassified to or placed in a land use district other than
- 15 agricultural district.
- 16 If the foregoing requirement of encumbrances running with
- 17 the land jeopardizes the owner or lessee in obtaining mortgage
- 18 financing from any of the mortgage lending agencies set forth in
- 19 the following paragraph, and the requirement is the sole reason
- 20 for failure to obtain mortgage financing, then the requirement
- 21 of encumbrances shall, insofar as such mortgage financing is
- 22 jeopardized, be conditionally waived by the appropriate county



- 1 enforcement officer; provided that the conditional waiver shall
- 2 become effective only in the event that the property is
- 3 subjected to foreclosure proceedings by the mortgage lender.
- 4 The mortgage lending agencies referred to in the preceding
- 5 paragraph are the Federal Housing Administration, Federal
- 6 National Mortgage Association, Veterans Administration, Small
- 7 Business Administration, United States Department of
- 8 Agriculture, Federal Land Bank of Berkeley, Federal Intermediate
- 9 Credit Bank of Berkeley, Berkeley Bank for Cooperatives, and any
- 10 other federal, state, or private mortgage lending agency
- 11 qualified to do business in Hawaii, and their respective
- 12 successors and assigns.
- 13 [(c) Within the agricultural district, all lands with soil
- 14 classified by the land study bureau's detailed land
- 15 classification as overall (master) productivity rating class C,
- 16 D, E, or U shall be restricted to the uses permitted for
- 17 agricultural districts as set forth in section 205-5(b).
- 18 (c) Notwithstanding any other provision of this
- 19 chapter to the contrary, golf courses and golf driving ranges
- 20 approved by a county before July 1, $2005[\tau]$ for development
- 21 within the agricultural district shall be permitted uses within
- 22 the agricultural district.



[(e)] (d) Notwithstanding any other provision of this
chapter t	o the contrary, plantation community subdivisions as
defined i	n this section shall be permitted uses within the
agricultu	ral district, and section 205-8 shall not apply.
$[\frac{\{(f)\}}{}]$ (e) Notwithstanding any other law to the contrary	
agricultural lands may be subdivided and leased for the	
agricultural uses or activities permitted in subsection (a);	
provided	that:
(1)	The principal use of the leased land is agriculture;
(2)	No permanent or temporary dwellings, agricultural
	worker housing, or farm dwellings, including trailers
	and campers, are constructed on the leased area. This
	restriction shall not prohibit the construction of
	storage sheds, equipment sheds, or other structures
	appropriate to the agricultural activity carried on
	within the lot; and
(3)	The lease term for a subdivided lot shall be for at
	least as long as the greater of:
	(A) The minimum real property tax agricultural
	dedication period of the county in which the
	subdivided lot is located; or
	chapter t defined i agricultu [[

Five years.

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- 1 Lots created and leased pursuant to this section shall be legal
- 2 lots of record for mortgage lending purposes and shall be exempt
- 3 from county subdivision standards."
- 4 SECTION 8. Section 205-5, Hawaii Revised Statutes, is
- 5 amended to read as follows:
- 6 "\$205-5 Zoning. (a) Except as herein provided, the
- 7 powers granted to counties under section 46-4 shall govern the
- 8 zoning within the districts, other than in conservation
- 9 districts. Conservation districts shall be governed by the
- 10 department of land and natural resources pursuant to chapter
- 11 183C.
- 12 Nothing in this chapter shall be construed to prohibit a
- 13 county from placing urban- or rural-classified land into a
- 14 county agricultural zoning district or designating agricultural
- 15 activity as a principal or permitted use on the land.
- 16 (b) Within agricultural districts, uses compatible to the
- 17 activities described in section 205-2 as determined by the
- 18 commission shall be permitted; provided that accessory
- 19 agricultural uses and services described in sections 205-2 and
- 20 205-4.5 may be further defined by each county by zoning
- 21 ordinance. Each county shall adopt ordinances setting forth
- 22 procedures and requirements, including provisions for



- 1 enforcement, penalties, and administrative oversight, for the
- 2 review and permitting of agricultural tourism uses and
- 3 activities as an accessory use on a working farm, or farming
- 4 operation as defined in section 165-2; provided that
- 5 agricultural tourism activities shall not be permissible in the
- 6 absence of a bona fide farming operation. Ordinances shall
- 7 include but not be limited to:
- 8 (1) Requirements for access to a farm, including road9 width, road surface, and parking;
- 10 (2) Requirements and restrictions for accessory facilities
 11 connected with the farming operation, including gift
 12 shops and restaurants; provided that overnight
 13 accommodations shall not be permitted;
- 14 (3) Activities that may be offered by the farming operation for visitors;
- 16 (4) Days and hours of operation; and
- 17 (5) Automatic termination of the accessory use upon the cessation of the farming operation.
- 19 Each county may require an environmental assessment under
- 20 chapter 343 as a condition to any agricultural tourism use and
- 21 activity.

- 1 Other uses may be allowed by special permits issued 2 pursuant to this chapter. The minimum lot size in agricultural 3 districts shall be determined by each county by zoning ordinance, subdivision ordinance, or other lawful means; 5 provided that the minimum lot size for any agricultural use shall not be less than one acre, except as provided herein. 6 If 7 the county finds that unreasonable economic hardship to the 8 owner or lessee of land cannot otherwise be prevented or where 9 land utilization is improved, the county may allow lot sizes of 10 less than the minimum lot size as specified by law for lots 11 created by a consolidation of existing lots within an 12 agricultural district and the resubdivision thereof; provided that the consolidation and resubdivision do not result in an 13 14 increase in the number of lots over the number existing prior to consolidation; and provided further that in no event shall a lot 15 which is equal to or exceeds the minimum lot size of one acre be 16 17 less than that minimum after the consolidation and resubdivision 18 The county may also allow lot sizes of less than the 19 minimum lot size as specified by law for lots created or used 20 for plantation community subdivisions as defined in section 205-4.5(a)(12), for agricultural workers housing, for public, 21 22 private, and quasi-public utility purposes, and for lots
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- 1 resulting from the subdivision of abandoned roadways and
- 2 railroad easements.
- 3 (c) Unless authorized by special permit issued pursuant to
- 4 this chapter, only the following uses shall be permitted within
- 5 rural districts:
- 6 (1) Low density residential uses;
- 7 (2) Agricultural uses[+] or agricultural worker housing;
- 8 (3) Golf courses, golf driving ranges, and golf-related
- 9 facilities; [and]
- 10 (4) Public, quasi-public, and public utility
- facilities [-]; and
- 12 (5) Plantation community subdivisions.
- 13 In addition, the minimum lot size for any low density
- 14 residential use shall be one-half acre and there shall be but
- one dwelling house per one-half acre, except as provided [for]
- 16 in section 205-2[→] or provisions related to agricultural worker
- 17 housing or plantation community subdivisions."
- 18 SECTION 9. Section 205-6, Hawaii Revised Statutes, is
- 19 amended by amending subsections (c), (d), (e), and (f) to read
- 20 as follows:
- "(c) The county planning commission [may], under [such]
- 22 protective restrictions [as may be] deemed necessary, may permit



- 1 the desired use, but only when the use would promote the
- 2 effectiveness and objectives of this chapter[; provided that a
- 3 use proposed for designated important agricultural lands shall]
- 4 and does not conflict with any part of this chapter. [A] If the
- 5 special permit involves land in the rural district, a decision
- 6 in favor of the applicant shall require the affirmative vote of
- 7 a majority [vote] of the total membership of the county planning
- 8 commission. If the special permit involves land in an
- 9 agricultural district, a decision in favor of the applicant
- 10 shall require the affirmative vote of two-thirds of the total
- 11 membership of the county planning commission.
- 12 (d) Special permits for land, the area of which is greater
- 13 than fifteen acres in a rural district, or for lands [designated
- 14 as important] in an agricultural [lands] district shall be
- 15 subject to approval by the land use commission. The land use
- 16 commission may impose additional restrictions as may be
- 17 necessary or appropriate in granting the approval, including the
- 18 adherence to representations made by the applicant.
- 19 [(e)] A copy of the decision, together with the complete
- 20 record of the proceeding before the county planning commission
- 21 on all special permit requests involving a land area greater
- 22 than fifteen acres in a rural district or for lands [designated



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- 1 as important] in an agricultural $[\frac{1}{2}]$ district shall be
- 2 transmitted to the land use commission within sixty days after
- 3 the decision is rendered.
- 4 Within forty-five days after receipt of the complete record
- 5 from the county planning commission, the land use commission
- 6 shall act to approve, approve with modification, or deny the
- 7 petition. If the special permit involves land in a rural
- 8 district, the approval or approval with modification of the
- 9 special permit shall require the affirmative vote of a majority
- 10 of the total membership of the land use commission. If the
- 11 special permit involves land in an agricultural district, the
- 12 approval or approval with modification of the special permit
- 13 shall require the affirmative vote of two-thirds of the total
- 14 membership of the land use commission.
- A denial either by the county planning commission or by the
- 16 land use commission, or a modification by the land use
- 17 commission, as the case may be, of the desired use shall be
- 18 appealable to the circuit court of the circuit in which the land
- 19 is situated and shall be made pursuant to the Hawaii rules of
- 20 civil procedure.
- 21 $\left[\frac{f}{f}\right]$ (e) Land uses substantially involving or supporting
- 22 educational ecotourism, related to the preservation of native



- 1 Hawaiian endangered, threatened, proposed, and candidate
- 2 species, that are allowed in an approved habitat conservation
- 3 plan under section 195D-21 or safe harbor agreement under
- 4 section 195D-22, which are not identified as permissible uses
- 5 within the agricultural district under sections 205-2 and 205-
- 6 4.5, may be permitted in the agricultural district by special
- 7 permit under this section, on lands with soils classified by the
- 8 land study bureau's detailed land classification as overall
- 9 (master) productivity rating class C, D, E, or U."
- 10 SECTION 10. Section 205-12, Hawaii Revised Statutes, is
- 11 amended to read as follows:
- 12 "\$205-12 Enforcement. The appropriate officer or agency
- 13 charged with the administration of county zoning laws shall
- 14 enforce within each county the use classification districts
- 15 adopted by the land use commission and the restriction on use
- 16 and the condition relating to agricultural districts under
- 17 [section] sections 205-2, 205-A, and 205-4.5 and shall report to
- 18 the commission all violations."
- 19 SECTION 11. Section 205-14, Hawaii Revised Statutes, is
- 20 amended to read as follows:
- 21 "\$205-14 Adjustments of [assessing] real property tax
- 22 assessment practices. Upon the [adoption] amendment of district



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- 1 boundaries, certified copies of the classification maps showing
- 2 the amended district boundaries shall be filed with the
- 3 [department of taxation.] appropriate county. Thereafter, the
- 4 [department of taxation shall,] county, when making assessments
- 5 of property within a district[7] for real property tax purposes,
- 6 shall give consideration to the use or uses that may be made
- 7 thereof as well as the uses to which it is then devoted."
- 8 SECTION 12. Section 205-17, Hawaii Revised Statutes, is
- 9 amended to read as follows:
- 10 "\$205-17 Land use commission decision-making criteria. In
- 11 its review of any petition for reclassification of district
- 12 boundaries pursuant to this chapter, the commission shall
- 13 specifically consider the following:
- 14 (1) The extent to which the proposed reclassification
- 15 conforms to the applicable goals, objectives, and
- 16 policies of the Hawaii state plan and relates to the
- 17 applicable priority quidelines of the Hawaii state
- plan and the adopted functional plans;
- 19 (2) The extent to which the proposed reclassification
- 20 conforms to the applicable district standards;
- 21 (3) The impact of the proposed reclassification on the
- following areas of state concern:

1		(A)	Preservation or maintenance of important natural
2			systems or habitats;
3		(B)	Maintenance of valued cultural, historical, or
4			natural resources;
5		(C)	Maintenance of other natural resources relevant
6			to Hawaii's economy, including agricultural
7			resources;
8		(D)	Commitment of state funds and resources;
9		(E)	Provision for employment opportunities and
10			economic development; and
11		(F)	Provision for housing opportunities for all
12			income groups, particularly the low,
13			low-moderate, and gap groups;
14	(4)	The	standards and criteria for the reclassification or
15		rezo	ning of [important] agricultural lands in section
16		205-	50; and
17	(5)	The	representations and commitments made by the
18	petitione	r in	securing a boundary change."
19	SECT	ION 1	3. Section 205-18, Hawaii Revised Statutes, is
20	amended t	o rea	d as follows:
21	"§ 2 0	5-18	Periodic review of districts. The office of
22	planning	shall	undertake a review of the classification and
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districting of all lands in the State, within five years from
 1
    [December 31, 1985,] July 1, 2010, and every fifth year
 2
 3
    thereafter. The office, in its five-year boundary review, shall
 4
    focus its efforts on reviewing the Hawaii state plan, county
    general plans, and county development and community plans. Upon
 5
 6
    completion of the five- year boundary review, the office shall
 7
    submit a report of the findings to the commission. The office
    may initiate state land use boundary amendments which it deems
 8
 9
    appropriate to conform to these plans. The office may seek
    assistance of appropriate state and county agencies and may
10
    employ consultants and undertake studies in making this review."
11
12
         SECTION 14. Section 205-42, Hawaii Revised Statutes, is
13
    amended to read as follows:
14
         "[+] $205-42[+] Important agricultural lands; definition
15
    and objectives. (a) [As used in this part, unless the context
16
    otherwise requires, ] As provided under section 205-2(a)(3), all
17
    lands in an agricultural district shall be designated "important
18
    agricultural lands" [means those lands, identified pursuant to
19
    this part, that:
         (1) Are capable of producing sustained high agricultural
20
21
              yields when treated and managed according to accepted
22
              farming methods and technology;
```



1	(2)	Contribute to the State's economic base and produce
2		agricultural commodities for export or local
3		consumption; or
4	(3)	Are needed to promote the expansion of agricultural
5		activities and income for the future, even if
6		currently not in production.] for the purpose of
7		article XI, section 3, of the state constitution.
8	(b)	[The objective for the identification of important
9	agricultu	ral lands is to identify and plan for the maintenance
10	of a stra	tegic agricultural land resource base that can support
11	a diversi	ty of agricultural activities and opportunities that
12	expand ag	ricultural income and job opportunities and increase
13	agricultu	ral self-sufficiency for current and future
14	generatio	ns. To achieve this objective, To protect important
15	agricultu	ral lands, the State shall:
16	(1)	Promote agricultural development and land use planning
17		that delineates blocks of productive agricultural land
18		and areas of agricultural activity for protection from
19	9	the encroachment of nonagricultural uses; and
20	(2)	Establish incentives and programs that promote:
21		(A) Agricultural viability[+] and diversity;

1	(B)	Sustained growth of the agriculture industry;
2		[and]
3	(C)	Agricultural self-sufficiency for current and
4		future generations;
5	[(C)]	(D) The long-term agricultural use and
6		protection of [these] productive agricultural
7		lands[-]; and
8	<u>(E)</u>	Expansion of agricultural related income and job
9		opportunities."
10	SECTION 1	5. Section 205-43, Hawaii Revised Statutes, is
11	amended to read	d as follows:
12	"[{]\$205-	43[] Important agricultural Agricultural lands;
13	policies. Sta	te and county agricultural policies, tax policies,
14	land use plans	, ordinances, and rules shall promote the long-
15	term viability	of agricultural use of [important] agricultural
16	lands and shall	l be consistent with and implement the following
17	policies:	
18	(1) Promo	ote the retention of [important] agricultural
19	land	s in blocks of contiguous, intact, and functional
20	land	units large enough to allow flexibility in
21	agri	cultural production and management;

1	(2)	Discourage the fragmentation of [important]
2		agricultural lands and the conversion of these lands
3		to nonagricultural uses;
4	(3)	Direct [nonagricultural] uses and activities [from
5		important] not permitted on agricultural lands to
6		other areas and ensure that [uses on important]
7		agricultural use is permitted on lands [are actually
8		agricultural uses; under sections 205-2, 205-4.5, and
9		<u>205-8;</u>
10	(4)	Limit physical improvements on [important]
11		agricultural lands to maintain affordability of these
12		lands for agricultural purposes;
13	(5)	Provide a basic level of infrastructure and services
14		on [important] agricultural lands [limited to the
15		minimum] necessary to support agricultural uses and
16		activities;
17	(6)	Facilitate the long-term dedication of [important]
18		agricultural lands for future agricultural use through
19		the use of incentives;
20	(7)	Facilitate the access of farmers to [important]
21		agricultural lands for long-term viable agricultural
22		use; and

1	(8) Promote the maintenance of essential agricultural
2	infrastructure systems, including irrigation systems.
3	SECTION 16. Section 205-44, Hawaii Revised Statutes, is
4	amended to read as follows:
5.	"[+] \$205-44[+] Standards and criteria for the initial
6	identification of important agricultural lands. The standards
7	and criteria in this section shall be used to identify important
8	agricultural lands. Lands identified as important agricultural
9	lands need not meet every standard and criteria listed below.
10	Rather, lands meeting any of the standards and criteria below
11	shall be given [initial] consideration[; provided that the
12	designation of important agricultural lands shall be made by
13	weighing the standards and criteria with each other to meet the
14	constitutionally mandated purposes in article XI, section 3, of
15	the state constitution and the objectives and policies] for
16	initial identification as important agricultural lands [in
17	sections 205-42 and 205-43]. The standards and criteria shall
18	be as follows:
19	(1) Land currently used for agricultural production;
20	(2) Land with soil qualities and growing conditions that
21	support agricultural production of food, fiber, or
22	fuel- and energy-producing crops;

1	(3)	Land identified under agricultural productivity rating
2		systems, such as the agricultural lands of importance
3		to the State of Hawaii (ALISH) system adopted by the
4		board of agriculture on January 28, 1977;
5	(4)	Land types associated with traditional native Hawaiian
6		agricultural uses, such as taro cultivation, or unique
7		agricultural crops and uses, such as coffee,
8		vineyards, aquaculture, and energy production;
9	(5)	Land with sufficient quantities of water to support
10		viable agricultural production;
11	(6)	Land whose designation as important agricultural lands
12		is consistent with general, development, and community
13		plans of the county;
14	(7)	Land that contributes to maintaining a critical land
15		mass important to agricultural operating productivity;
16		and
17	(8)	Land with or near support infrastructure conducive to
18		agricultural productivity, such as transportation to
19		markets, water, or power."
20	SECT	ION 17. Section 205-46, Hawaii Revised Statutes, is
21	amended to	o read as follows:

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1
         "[+]$205-46[+] Incentives for [important] agricultural
2
    lands. (a) To achieve the long-term agricultural viability and
3
    use of [important] agricultural lands, the State and each county
 4
    shall ensure that their:
5
              Agricultural development, land use, water use,
              regulatory, tax, and land protection policies; and
7
              Permitting and approval procedures,
8
    enable and promote the economic sustainability of agriculture.
9
         Agricultural operations occurring on [important]
    agricultural lands shall be eligible for incentives and
10
11
    protections provided by the State and counties pursuant to this
12
    section to promote the viability of agricultural enterprise on
    [important] agricultural lands and to assure the availability of
13
    [important] agricultural lands for long-term agricultural use.
14
              [State and county incentive programs shall provide
15
16
    preference to important agricultural lands and agricultural
    businesses on important agricultural lands.] The State and each
17
    county shall cooperate [in] to promote program development to
18
    prevent duplication of, and to streamline and consolidate access
19
20
    to, programs and services for agricultural businesses located on
    [important] agricultural lands.
21
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1	(c)	Incentive and protection programs shall be designed to
2	provide a	mutually supporting framework of programs and measures
3	that enha	nce agricultural viability on [important] agricultural
4	lands, in	cluding but not limited to:
5	(1)	Grant assistance;
6	(2)	Real property tax systems that support the needs of
7		agriculture, including property tax assessments based
8		on agricultural use valuation;
9	(3)	Reduced infrastructure requirements and facilitated
10		building permit processes for dedicated agricultural
11		structures;
12	(4)	Tax incentives to offset operational costs, promote
13		agricultural business viability, and promote the long-
14		term protection of [important] agricultural lands;
15	(5)	Agricultural business planning, marketing, and
16		implementation grants;
17	(6)	Tax incentives and programs for equity investments and
18		financing for agricultural operations, including
19		agricultural irrigation systems;
20	(7)	Other programs and mechanisms that promote investment
21		in agricultural businesses or agricultural land

1		protection, such as the purchase of development
2		rights;
3	(8)	State funding mechanisms to fund business viability
4		and land protection programs;
5	(9)	Water regulations and policies that provide farmers of
6		[important] agricultural lands access to adequate and
7	,	cost-effective sources of water;
8	(10)	Other measures that would ensure that state capital
9		investments, projects, programs, and rules are
10		consistent with this part; and
11	(11)	Agricultural education and training for new farmers;
12		upgrading the skills of existing farmers and other
13		agriculture-related employees through the use of
14		mentoring, business incubators, and public or private
15		scholarships; and increasing the returns of farming by
16		adding value to food processing and other tools and
17	*	methods.
18	[-(d)-	State and county agencies shall review the protection
19	and incen	tive measures enacted for important agricultural lands
20	and agric	ultural viability pursuant to this chapter at least
21	every five	e years to:

1	(1)	Determine their effectiveness in sustaining
2		agriculture in Hawaii, assuring agricultural
3		diversification, and increasing agricultural self-
4		sufficiency;
5	(2)	Determine whether the effectiveness of tax credits or
6		incentive programs will be enhanced by creating
7		revolving funds or increasing rates based upon the tax
8		revenues generated by enhanced investment and
9		agricultural activities on important agricultural
10		lands; and
11	(3)	Modify measures and programs as needed.
12	(e)	This section shall apply only to those lands
13	designate	d as important agricultural lands pursuant to sections
14	205-45 an	d 205-49.]"
15	SECT	ION 18. Section 205-50, Hawaii Revised Statutes, is
16	amended to	o read as follows:
17	"[+]:	§205-50[] Standards and criteria for [the
18	reclassif:	ication] district boundary amendments or rezoning of
19	[importan	agricultural lands. (a) [Any] After July 1, 2010,
20	any land	use district boundary amendment or change in zoning
21	involving	[important] agricultural lands [identified pursuant to
22	this chapt	ter] shall be subject to this section.

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1	(b)	Upon acceptance by the county for processing, any
2	applicati	on for a special permit involving important
3	agricultu	ral lands shall be referred to the department of
4	agricultu	re and the office of planning for review and comment.
5	(c)	Any decision by the land use commission or county
6	[pursuant	to this section] to amend an agricultural district
7	boundary	or change the zoning of agricultural land shall
8	specifica	lly consider the following standards and criteria:
9	(1)	The relative importance of the land for agriculture
10		based on the stock of similarly suited lands in the
11		area and the State as a whole;
12	(2)	The proposed district boundary amendment or zone
13		change will not harm the productivity or viability of
14		existing agricultural activity in the area[$ au$] or
15		adversely affect the viability of other agricultural
16		activities or operations that share infrastructure,
17		processing, marketing, or other production-related
18		costs or facilities with the agricultural activities
19		on the land in question;
20	(3)	The district boundary amendment or zone change will
21		not cause the fragmentation of or intrusion of
22		nonagricultural uses into largely intact areas of

1		[lands identified by the State as important]
2	4.4	agricultural lands that create residual parcels of a
3		size that would preclude viable agricultural use;
4	(4)	The public benefit to be derived from the proposed
5		action is justified by a need for additional lands for
6		nonagricultural purposes; [and]
7	(5)	The impact of the proposed district boundary amendment
8		or zone change on the necessity and capacity of state
9		and county agencies to provide and support additional
10		agricultural infrastructure or services in the
11		area[-] <u>;</u>
12	(6)	Whether a sufficient supply of water is no longer
13		available to allow profitable agricultural use of the
14		land due to governmental action, an act of God, or
15		other cause beyond the farmer's or landowner's
16		reasonable control; and
17	(7)	The negative effect that the proposed district
18		boundary amendment or zone change may have on the
19		<pre>following:</pre>
20		(A) The potential for increasing the cultivation of
21		crops or trees for the generation of energy;
22		(B) The recharging of the aquifer;

1		(C)	The beneficial reuse of treated wastewater for
2			crop or tree farm irrigation;
3		(D)	The absorption of carbon dioxide from the
4			atmosphere, and the potential future use of crop
5			or tree farm lands for carbon credit;
6		<u>(E)</u>	The need for green or open space for the
7			viability of the visitor industry and contentment
8			of residents; and
9		<u>(F)</u>	The prevention of soil erosion and non-point
10	,		source pollutant discharge into the ocean.
11	(d)	Any	decision pursuant to this section shall be based
12	upon a de	termi	nation that:
13	(1)	On b	alance, the public benefit from the proposed
14		dist	rict boundary amendment or zone change outweighs
15		the	benefits of retaining the land for agricultural
16		purp	oses; and
17	(2)	The	proposed action will have no significant impact
18		upon	the viability of agricultural operations on
19		adja	cent agricultural lands.
20	(e)	The	standards and criteria of this section shall be in
21	addition	to:	

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1
              The decision-making criteria of section 205-17
         (1)
 2
              governing decisions of the land use commission under
 3
              this chapter; and
 4
              The decision-making criteria adopted by each county to
         (2)
 5
              govern decisions of county decision-making authorities
 6
              under this chapter.
              Any decision of the land use commission and any
 7
 8
    decision of any county on a land use district boundary amendment
 9
    or change in zoning involving [important] agricultural lands
10
    shall be approved by the body responsible for the decision by a
11
    two-thirds vote of the membership to which the body is entitled.
12
         [(q) A farmer or landowner with qualifying lands may also
13
    petition the land use commission to remove the "important
14
    agricultural lands" designation from lands if a sufficient
15
    supply of water is no longer available to allow profitable
16
    farming of the land due to governmental actions, acts of God, or
17
    other causes beyond the farmer's or landowner's reasonable
18
    control. "
19
         SECTION 19. Section 205-51, Hawaii Revised Statutes, is
20
    amended to read as follows:
         "[+] $205-51[] Important agricultural lands;
21
22
    reduced county [ordinances.] subdivision standards. [(a)]
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1
    county shall adopt ordinances that reduce infrastructure
 2
    standards for [important] agricultural lands [no later than the
    effective date of the legislative enactment of protection and
 3
 4
    incentive measures for important agricultural lands and
    agricultural viability, as provided in section 9 of Act 183,
 5
    Session Laws of Hawaii 2005.
 6
 7
         (b) For counties without ordinances adopted pursuant to
    subsection (a), important agricultural lands designated pursuant
 8
 9
    to this part may be subdivided without county processing or
10
    standards; provided that:
         (1) None of the resulting lots shall be used solely for
11
12
              residential occupancy; and
13
         (2) The leasehold lots shall return to the original lot of
14
              record upon expiration or termination of the lease.]
    from standards applicable to residential lands; provided that
15
    the reduced standards shall not jeopardize the public's health
16
17
    and safety."
18
         SECTION 20. Section 205-45, Hawaii Revised Statutes, is
19
    repealed.
         ["[$205-45] Petition by farmer or landowner. (a) A
20
    farmer or landowner with lands qualifying under section 205-44
21
```

```
1
    may file a petition for declaratory ruling with the commission
2
    at any time in the designation process.
         (b) The petition for declaratory ruling shall be submitted
 3
    in accordance with subchapter 14 of the commission's rules and
 4
5
    shall include:
         (1) Tax map keys of the land to be designated along with
6
7
              verification and authorization from the applicable
8
              landowners:
9
         (2) Proof of qualification for designation under section
10
              205-44, respecting a regional perspective; and
         (3) The current or planned agricultural use of the area to
11
12
              be-designated.
13
         (c) The commission shall review the petition and the
14
    accompanying submissions to evaluate the qualifications of the
15
    land for designation as important agricultural lands in
16
    accordance with section 205-44. If the commission, after its
    review and evaluation, finds that the lands qualify for
17
18
    designation as important agricultural lands under this part, the
19
    commission shall vote, by a two-thirds majority of the members
20
    of the commission, to issue a declaratory order designating the
    lands as important agricultural lands.
21
```

```
1
         (d) Designating important agricultural lands by the
2
    commission shall not be considered as an amendment to district
    boundaries under sections 205-3.1 and 205-4 or become effective
 3
 4
    prior to legislative enactment of protection and incentive
5
    measures for important agricultural land and agricultural
    viability, as provided in section 9 of Act 183, Session Laws of
6
    Hawaii 2005.
 7
         (e) Farmers or landowners with lands qualifying under
8
9
    section 205-44 may file petitions for a declaratory ruling to
10
    designate lands as important agricultural lands following the
11
    legislative enactment of protection and incentive measures for
    important agricultural lands and agricultural viability, as
12
    provided in section 9 of Act 183, Session Laws of Hawaii 2005."]
13
14
         SECTION 21. Section 205-47, Hawaii Revised Statutes, is
15
    repealed.
         ["[$205-47] Identification of important agricultural
16
17
    lands; county process. (a) Each county shall identify and map
18
    potential important agricultural lands within its jurisdiction
19
    based on the standards and criteria in section 205-44 and the
20
    intent of this part, except lands that have been designated,
21
    through the state land use, zoning, or county planning process,
22
    for urban use by the State or county.
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1
         (b) Each county shall develop maps of potential lands to
 2
    be considered for designation as important agricultural lands in
 3
    consultation and cooperation with landowners, the department of
    agriculture, agricultural interest groups, including
 4
 5
    representatives from the Hawaii Farm Bureau Federation and other
    agricultural organizations, the United States Department of
 6
 7
    Agriculture - Natural Resources Conservation Service, the office
 8
    of planning, and other groups as necessary.
 9
         (c) Each county, through its planning department, shall
10
    develop an inclusive process for public involvement in the
    identification of potential lands and the development of maps of
11
12
    lands to be recommended as important agricultural lands,
    including a series of public meetings throughout the
13
14
    identification and mapping process. The planning departments
15
    may also establish one or more citizen advisory committees on
16
    important agricultural lands to provide further public input,
17
    utilize an existing process (such as general plan, development
18
    plan, community plan), or employ appropriate existing and
    adopted general plan, development plan, or community plan maps.
19
20
         (d) The counties shall take notice of those lands that
    have already been designated as important agricultural lands by
21
22
    the commission.
```



1	Upon identification of potential lands to be recommended to		
2	the count	y council as potential important agricultural lands,	
3	the count	ies shall take reasonable action to notify each owner	
4	of those lands by mail or posted notice on the affected lands to		
5	inform them of the potential designation of their lands.		
6	In formulating its final recommendations to the respective		
7	county councils, the planning departments shall report on the		
8	manner in which the important agricultural lands mapping relates		
9	to, supports, and is consistent with the:		
10	(1)	Standards and criteria set forth in section 205-44;	
11	(2)	County's adopted land use plans, as applied to both	
12		the identification and exclusion of important	
13		agricultural lands from such designation;	
14	(3)	Comments received from government agencies and others	
15		identified in subsection (b);	
16	-(4)	Viability of existing agribusinesses; and	
17	, (5)	Representations or position statements of the owners	
18		whose lands are subject to the potential designation.	
19	(e)	The important agricultural lands maps shall be	
20	submitted	to the county council for decision-making. The county	
21	council s	hall adopt the mans with or without changes by	

```
resolution. The adopted maps shall be transmitted to the land
1
    use commission for further action pursuant to section 205-48."]
2
         SECTION 22. Section 205-48, Hawaii Revised Statutes, is
3
4
    repealed.
5
         ["[$205-48] Receipt of maps of eligible important
    agricultural lands; land use commission. (a) The land use
6
    commission shall receive the county recommendations and maps
7
    delineating those lands eligible to be designated important
8
9
    agricultural lands no sooner than the effective date of the
    legislative enactment of protection and incentive measures for
10
    important agricultural lands and agricultural viability, as
11
    provided in section 9 of Act 183, Session Laws of Hawaii 2005.
12
         (b) The department of agriculture and the office of
13
14
    planning shall review the county report and recommendations and
15
    provide comments to the land use commission within forty-five
    days of the receipt of the report and maps by the land use
16
    commission. The land use commission may also consult with the
17
18
    department of agriculture and the office of planning as needed.
19
         (c) State agency review shall be based on an evaluation of
20
    the degree that the:
         (1) County recommendations result in an identified
21
22
              resource base that meets the definition of important
```

```
1
              agricultural land and the objectives and policies for
 2
              important agricultural lands in sections 205-42 and
 3
              205-43; and
 4
         (2) County has met the minimum standards and criteria for
              the identification and mapping process in sections
 5
              205-44 and 205-47."]
 6
 7
         SECTION 23. Section 205-49, Hawaii Revised Statutes, is
 8
    repealed.
         ["[$205-49] Designation of important agricultural lands;
 9
    adoption of important agricultural lands maps. (a) After
10
    receipt of the maps of eligible important agricultural lands
11
12
    from the counties and the recommendations of the department of
13
    agriculture and the office of planning, the commission shall
14
    then proceed to identify and designate important agricultural
    lands, subject to section 205-45. The decision shall consider
15
    the county maps of cliqible important agricultural lands;
16
    declaratory orders issued by the commission designating
17
18
    important agricultural lands during the three year period
19
    following the enactment of legislation establishing incentives
20
    and protections contemplated under section 205-46, as provided
21
    in section 9 of Act 183, Session Laws of Hawaii 2005; landowner
```

1	position statements and representations; and any other relevant		
2	information.		
3	In designating important agricultural lands in the State,		
4	pursuant to the recommendations of individual counties, the		
5	commissio	n shall consider the extent to which:	
6	(1)	The proposed lands meet the standards and criteria	
7		under section 205-44;	
8	(2)	The proposed designation is necessary to meet the	
9		objectives and policies for important agricultural	
10		lands in sections 205-42 and 205-43; and	
11	(3)	The commission has designated lands as important	
12		agricultural lands, pursuant to section 205-45;	
13		provided that if the majority of landowners!	
14		landholdings is already designated as important	
15		agricultural lands, excluding lands held in the	
16		conservation district, pursuant to section 205-45 or	
. 17		any other provision of this part, the commission shall	
18		not designate any additional lands of that landowner	
19		as important agricultural lands except by a petition	
20		pursuant to section 205-45.	
21	Any decision regarding the designation of lands as		
22	important	agricultural lands and the adoption of maps of those	



```
1
    lands pursuant to this section shall be based upon written
    findings of fact and conclusions of law, presented in at least
 2
    one public hearing conducted in the county where the land is
 3
    located in accordance with chapter 91, that the subject lands
 4
    meet the standards and criteria set forth in section 205-44 and
 5
    shall be approved by two-thirds of the membership to which the
 6
    commission is entitled.
 7
 8
         (b) Copies of the maps of important agricultural lands
    adopted under this section shall be transmitted to each county
 9
10
    planning department and county council, the department of
11
    agriculture, the agribusiness development corporation, the
12
    office of planning, and other state agencies involved in land
13
    use matters. The maps of important agricultural lands shall
14
    quide all decision-making on the proposed reclassification or
15
    rezoning of important agricultural lands, state agricultural
16
    development programs, and other state and county land use
17
    planning and decision-making.
         (c) The land use commission shall have the sole authority
18
19
    to interpret the adopted map boundaries delineating the
20
    important agricultural lands.
```

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1
         (d) The land use commission may designate lands as
 2
    important agricultural lands and adopt maps for a designation
    pursuant to:
 3
         (1) A farmer or landowner petition for declaratory ruling
              under section 205-45 at any time; or
 5
         (2) The county process for identifying and recommending
 7
              lands for important agricultural lands under section
              205-47 no sooner than three years,
 9
    after the enactment of legislation establishing incentives and
    protections contemplated under section 205-46, as provided in
10
    section 9 of Act 183, Session Laws of Hawaii 2005."]
11
12
         SECTION 24. Section 205-52, Hawaii Revised Statutes, is
13
    repealed.
14
         ["[$205-52] Periodic review and amendment of important
15
    agricultural lands maps. The maps delineating important
16
    agricultural lands shall be reviewed in conjunction with the
    county general plan and community and development plan revision
17
18
    process, or at least once every ten years following the adoption
19
    of the maps by the land use commission; provided that the maps
20
    shall not be reviewed more than once every five years. Any
21
    review and amendment of the maps of important agricultural lands
22
    shall be conducted in accordance with this part. In these
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- 1 periodic reviews or petitions by the farmers or landowners for
- 2 declaratory rulings, the "important agricultural lands"
- 3 designation shall be removed from those important agricultural
- 4 lands where the commission has issued a declaratory order that a
- 5 sufficient supply of water is no longer available to allow
- 6 profitable farming of these lands due to governmental actions,
- 7 acts of God, or other causes beyond the farmer's or landowner's
- 8 reasonable control."]
- 9 SECTION 25. Part III of Act 183, Session Laws of Hawaii
- 10 2005, is repealed.
- 11 SECTION 26. In codifying the new section added by section
- 12 2 of this Act, the revisor of statutes shall substitute an
- 13 appropriate section number for the letter used in designating
- 14 the new section in this Act.
- 15 SECTION 27. Statutory material to be repealed is bracketed
- 16 and stricken. New statutory material is underscored.
- 17 SECTION 28. This Act shall take effect on July 1, 2009;
- 18 except that sections 2, 16, 26, and 27 shall take effect upon
- 19 its approval.

20

INTRODUCED BY:

1B LRB 08-0493-1.doc

Em Ong

Tom Brown

JAN 1 5 2008

Report Title:

Agricultural Lands; Policies for Districting and Protection

Description:

Establishes new policies for the districting and protection of land in agricultural districts designated as "important agricultural land" for the purpose of article XI, section 3, of the state constitution.