
A BILL FOR AN ACT

RELATING TO ENERGY.

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

1 SECTION 1. The legislature finds that Hawaii's dependence
2 on petroleum for about ninety per cent of its energy needs is
3 more than any other state in the nation. This makes the State
4 extremely vulnerable to any oil embargo, supply disruption,
5 international market dysfunction, and many other factors beyond
6 the control of the State. Furthermore, the continued
7 consumption of conventional petroleum fuel negatively impacts
8 the environment. At the same time, Hawaii has among the most
9 abundant renewable energy resources in the world, in the form of
10 solar, geothermal, wind, biomass, and ocean energy assets.

11 The legislature also finds that increased energy efficiency
12 and use of renewable energy resources would increase Hawaii's
13 energy self-sufficiency, achieving broad societal benefits,
14 including increased energy security, resistance to increases in
15 oil prices, environmental sustainability, economic development,
16 and job creation.



1 To shape Hawaii's energy future and achieve the goal of
 2 energy self-sufficiency for the State of Hawaii, our efforts
 3 must continue on all fronts, integrating new and evolving
 4 technologies, seizing upon economic opportunities to become more
 5 energy efficient and economically diversified, and providing
 6 incentives and assistance to address barriers.

7 The purpose of this Act is to encourage further production
 8 and use of biofuels in Hawaii by:

- 9 (1) Establishing biofuel processing facilities as a
 10 permitted use in designated agricultural districts
 11 under chapter 205, Hawaii Revised Statutes; and
- 12 (2) Establishing an energy feedstock program within the
 13 department of agriculture to encourage the production
 14 of energy feedstock in Hawaii and establish a baseline
 15 percentage of energy feedstock to be grown in the
 16 State to meet Hawaii's energy requirements.

17 **PART I. BIOFUEL PROCESSING FACILITIES**

18 **SECTION 2.** Section 205-2, Hawaii Revised Statutes, is
 19 amended by amending subsection (d) to read as follows:

- 20 "(d) Agricultural districts shall include:
- 21 (1) Activities or uses as characterized by the cultivation
 22 of crops, orchards, forage, and forestry;



- 1 (2) Farming activities or uses related to animal
- 2 husbandry, and game and fish propagation;
- 3 (3) Aquaculture, which means the production of aquatic
- 4 plant and animal life within ponds and other bodies of
- 5 water;
- 6 (4) Wind generated energy production for public, private,
- 7 and commercial use;
- 8 (5) Biofuel production as described in section
- 9 205-4.5(a)(15) for public, private, and commercial
- 10 use;
- 11 ~~(5)~~ (6) Bona fide agricultural services and uses that
- 12 support the agricultural activities of the fee or
- 13 leasehold owner of the property and accessory to any
- 14 of the above activities, whether or not conducted on
- 15 the same premises as the agricultural activities to
- 16 which they are accessory, including but not limited to
- 17 farm dwellings as defined in section 205-4.5(a)(4),
- 18 employee housing, farm buildings, mills, storage
- 19 facilities, processing facilities, vehicle and
- 20 equipment storage areas, roadside stands for the sale
- 21 of products grown on the premises, and plantation



1 community subdivisions as defined in section
2 205-4.5 (a) (12);
3 ~~[(6)]~~ (7) Wind machines and wind farms;
4 ~~[(7)]~~ (8) Small-scale meteorological, air quality, noise,
5 and other scientific and environmental data collection
6 and 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 ~~[(8)]~~ (9) Agricultural parks;
11 ~~[(9)]~~ (10) Agricultural tourism conducted on a working
12 farm, or a farming operation as defined in section
13 165-2, for the enjoyment, education, or involvement of
14 visitors; provided that the agricultural tourism
15 activity is accessory and secondary to the principal
16 agricultural use and does not interfere with
17 surrounding farm operations; and provided further that
18 this paragraph shall apply only to a county that has
19 adopted ordinances regulating agricultural tourism
20 under section 205-5; and
21 ~~[(10)]~~ (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).
3 Agricultural districts include areas that are not used for, or
4 that are not suited to, agricultural and ancillary activities by
5 reason of topography, soils, and other related characteristics."

6 SECTION 3. Section 205-4.5, Hawaii Revised Statutes, is
7 amended by amending subsection (a) to read as follows:

8 "(a) Within the agricultural district, all lands with soil
9 classified by the land study bureau's detailed land
10 classification as overall (master) productivity rating class A
11 or B shall be restricted to the following permitted uses:

12 (1) Cultivation of crops, including but not limited to
13 flowers, vegetables, foliage, fruits, forage, and
14 timber;

15 (2) Game and fish propagation;

16 (3) Raising of livestock, including but not limited to
17 poultry, bees, fish, or other animal or aquatic life
18 that are propagated for economic or personal use;

19 (4) Farm dwellings, employee housing, farm buildings, or
20 activities or uses related to farming and animal
21 husbandry. "Farm dwelling", as used in this
22 paragraph, means a single-family dwelling located on



1 and used in connection with a farm, including clusters
2 of single-family farm dwellings permitted within
3 agricultural parks developed by the State, or where
4 agricultural activity provides income to the family
5 occupying the dwelling;

6 (5) Public institutions and buildings that are necessary
7 for agricultural practices;

8 (6) Public and private open area types of recreational
9 uses, including day camps, picnic grounds, parks, and
10 riding stables, but not including dragstrips,
11 airports, drive-in theaters, golf courses, golf
12 driving ranges, country clubs, and overnight camps;

13 (7) Public, private, and quasi-public utility lines and
14 roadways, transformer stations, communications
15 equipment buildings, solid waste transfer stations,
16 major water storage tanks, and appurtenant small
17 buildings such as booster pumping stations, but not
18 including offices or yards for equipment, material,
19 vehicle storage, repair or maintenance, treatment
20 plants, corporation yards, or other similar
21 structures;



- 1 (8) Retention, restoration, rehabilitation, or improvement
- 2 of buildings or sites of historic or scenic interest;
- 3 (9) Roadside stands for the sale of agricultural products
- 4 grown on the premises;
- 5 (10) Buildings and uses, including but not limited to
- 6 mills, storage, and processing facilities, maintenance
- 7 facilities, and vehicle and equipment storage areas
- 8 that are normally considered directly accessory to the
- 9 above mentioned uses and are permitted under section
- 10 205-2(d);
- 11 (11) Agricultural parks;
- 12 (12) Plantation community subdivisions, which as used in
- 13 this paragraph means a subdivision or cluster of
- 14 employee housing, community buildings, and acreage
- 15 established on land currently or formerly owned,
- 16 leased, or operated by a sugar or pineapple plantation
- 17 and in residential use by employees or former
- 18 employees of the plantation; provided that the
- 19 employees or former employees shall have a property
- 20 interest in the land;
- 21 [+] (13) [+] Agricultural tourism conducted on a working farm, or
- 22 a farming operation as defined in section 165-2, for



1 the enjoyment, education, or involvement of visitors;
2 provided that the agricultural tourism activity is
3 accessory and secondary to the principal agricultural
4 use and does not interfere with surrounding farm
5 operations; and provided further that this paragraph
6 shall apply only to a county that has adopted
7 ordinances regulating agricultural tourism under
8 section 205-5; [~~e~~

9 ~~+~~ (14) ~~+~~ Wind energy facilities, including the appurtenances
10 associated with the production and transmission of
11 wind generated energy; provided that [~~sueh~~] the wind
12 energy facilities and appurtenances are compatible
13 with agriculture uses and cause minimal adverse impact
14 on agricultural land~~[-]~~; or

15 (15) Biofuel processing facilities, including the
16 appurtenances associated with the production,
17 collection, or cultivation of biomass crops,
18 agricultural residues, and oil crops; provided that:

19 (A) "Biofuel processing facility" means a facility
20 that produces liquid or gaseous fuels from
21 organic sources such as biomass crops,
22 agricultural residues, and oil crops, including



1 palm, canola, soybean, and waste cooking oils;
2 grease; food wastes; and animal residues and
3 wastes that can be used to generate energy;

4 (B) "Appurtenances" means operational infrastructure
5 of the appropriate type and scale for economic
6 commercial storage and distribution, and other
7 similar handling of feedstock, fuels, and other
8 products of biofuels processing facilities;

9 (C) Biofuels processing facilities and appurtenances
10 are compatible with other agricultural uses in
11 the vicinity and cause a minimal adverse impact
12 on agricultural land; and

13 (D) The importation of feedstock and fuels shall be
14 allowed for a non-renewable three-year period
15 that commences upon final approval to operate
16 biofuels processing facilities and appurtenances.
17 After the expiration of the three-year period, a
18 majority of the feedstock from biomass and oil
19 crops shall be grown within the State as
20 determined by the department of agriculture."



1 PART II. ENERGY FEEDSTOCK PRODUCTION

2 SECTION 4. The legislature finds that there is
3 considerable interest in producing biofuels in Hawaii to meet
4 alternative energy mandates. Current law requires a ten per
5 cent ethanol content for gasoline. The demand for biofuel
6 production in Hawaii is steadily increasing, which has been the
7 catalyst for the creation of private entities to produce
8 biofuels in this State. However, there is a lack of feedstock
9 in Hawaii to produce biofuels, which means that private entities
10 must import feedstock. Because of the State's remoteness, it is
11 imperative for the State to be energy self-sufficient.
12 Feedstock is necessary to produce biofuels in order to attain
13 energy self-sufficiency. There are many crops that can grow in
14 tropical environments that may be ideal feedstock for bioenergy
15 production.

16 The purpose of this part is to develop an energy feedstock
17 program within the department of agriculture to encourage the
18 production of energy feedstock in Hawaii and establish a
19 baseline percentage of energy feedstock to be grown in the State
20 to meet its energy requirements.



1 SECTION 5. Chapter 141, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§141- Energy feedstock program. (a) There is
5 established within the department of agriculture an energy
6 feedstock program that shall:

- 7 (1) Maintain cognizance of actions taken by industry and
8 by federal, state, county, and private agencies in
9 activities relating to the production of energy
10 feedstock, and promote and support worthwhile energy
11 feedstock production activities in the State;
- 12 (2) Serve as an information clearinghouse for energy
13 feedstock production activities;
- 14 (3) Coordinate development projects to investigate and
15 solve biological and technical problems involved in
16 raising selected species with commercial energy
17 generating potential;
- 18 (4) Actively seek federal funding for energy feedstock
19 production activities;
- 20 (5) Undertake activities required to develop and expand
21 the energy feedstock production industry; and



1 (6) Perform other functions and activities as may be
2 assigned by law, including monitoring the compliance
3 provisions under section 205-4.5(a)(15).

4 (b) The chairperson of the board of agriculture shall
5 consult and coordinate with the energy resources coordinator
6 under chapter 196 to establish objectives for the production of
7 energy feedstock. The chairperson and the coordinator shall
8 establish a baseline percentage of energy feedstock to be grown
9 in the State to provide for its energy needs.

10 (c) The chairperson of the board of agriculture shall also
11 consult and coordinate with research programs and activities at
12 the University of Hawaii that will assist in the further growth
13 and promotion of the energy feedstock production industry in
14 Hawaii.

15 (d) The chairperson of the board of agriculture may employ
16 temporary staff exempt from chapter 76. The board may adopt
17 rules pursuant to chapter 91 to effectuate the purposes of this
18 section."

19 SECTION 6. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.

21 SECTION 7. This Act shall take effect upon its approval.



Report Title:

Biofuels; Omnibus Package

Description:

Allows biofuel processing facilities to be a permitted use in an agriculture district. Establishes an energy feedstock program to develop a baseline percentage of energy feedstock to be grown in the State. (SD2)

