

JAN 23 2008

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# A BILL FOR AN ACT

RELATING TO AGRICULTURAL WATER RATES.

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

1           SECTION 1. The legislature finds that access to affordable  
2 water is one of the biggest challenges facing Hawaii's farmers.  
3 Although many farmers enjoy lower rates for agricultural water  
4 provided by the counties, other farmers who are unable to access  
5 the county water systems are forced to use more expensive water  
6 provided by private utilities at residential rates since  
7 agricultural rates are not offered.

8           The purpose of this Act is to encourage appropriate  
9 agricultural use of agricultural lands and to establish fair  
10 water rates for all of Hawaii's farmers by directing the public  
11 utilities commission to require private utilities that furnish  
12 water used for agricultural purposes in areas zoned for  
13 agricultural use to establish a reduced water rate for qualified  
14 agricultural water users.

15           SECTION 2. Chapter 269, Hawaii Revised Statutes, is  
16 amended by adding a new section to be appropriately designated  
17 and to read as follows:



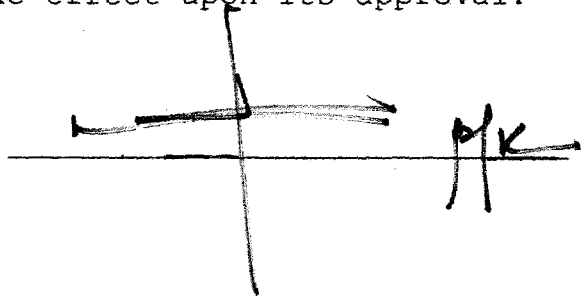
1            "§269-       Ratemaking; furnishing of water for agricultural  
2 use.   The public utilities commission shall have the authority  
3 to require private utilities furnishing water to differentiate  
4 in ratemaking between agricultural and other water usage. The  
5 public utilities commission shall require private utilities that  
6 furnish water used for agricultural purposes in areas zoned for  
7 agricultural use to establish a reduced water rate structure for  
8 qualified agricultural water users. All private utilities  
9 furnishing water used for agricultural purposes to qualified  
10 agricultural users in areas zoned for agricultural use shall  
11 establish a water rate structure for agricultural use on or  
12 before January 1, 2009."

13           SECTION 3. New statutory material is underscored.

14           SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

A horizontal line is drawn across the page. Over this line, there is a handwritten signature that appears to be "L. J. ..." and to the right of it, the initials "PK" are written.

**Report Title:**

Private Utilities; Water; Agricultural Use

**Description:**

Directs the public utilities commission to require private utilities that furnish water used for agricultural purposes in areas zoned for agricultural use to establish a reduced water rate for qualified agricultural water users.

