

**THE UNIVERSITY OF HAWAII ENVIRONMENTAL CENTER IS  
PLEASED TO SUBMIT THIS TESTIMONY IN ACCORDANCE  
WITH ACT 132 OF 1970 WHICH CREATED THE CENTER.  
AUTHORS ARE MEMBERS OF THE UNIVERSITY COMMUNITY.**

RL: 2167

HB 2503  
RELATING TO AGRICULTURAL LANDS

House Committee on Water, Land, Ocean Resources and Hawaiian Affairs  
House Committee on Agriculture  
Joint Public Hearing – February 20, 2008  
9:00 a.m., State Capitol, Conference Room 325

By  
Peter Rappa, Environmental Center

HB 2503 permits the use of lands in agricultural land use districts to be used for agricultural-energy facilities provided that the primary activity of the agricultural-energy enterprise is agricultural activity. We emphasize that our testimony on this measure does not represent an official position of the University of Hawaii.

The State of Hawaii uses fossil fuels for 90 percent of its energy consumption. Effort must be made to encourage the production of alternative sources of energy such as wind, solar, and other means as oil becomes more costly. This bill encourages the development of alternative energy sources on lands that are zoned for agriculture while continuing to maintain agricultural production within these areas. To facilitate and encourage the growth of this industry, financial inducements to develop alternative energy production on farm lands need to be explored and presented to local farmers. Such inducements may be in the form of lucrative sales of excess energy production to electrical service providers. This bill is a good compromise between those wanting to maintain agricultural lands in agriculture and those wishing to use land for the purpose of generating electricity.

Thank you for the opportunity to comment on this bill.

**PACIFIC WEST ENERGY LLC**  
**PO Box 1148**  
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February 18, 2008

The Honorable Ken Ito, Chair and Members of the  
Committee on Water, Land, Ocean Resources &  
Hawaiian Affairs

The Honorable Clift Tsuji, Chair and Members of the  
Committee on Agriculture

RE: HB 2503 Relating to Agricultural Lands

Chairpersons Ito and Tsuji and members of your committees, my name is William Maloney and I am President and Chief Executive Officer of Pacific West Energy, LLC. Pacific West Energy, a developer of renewable energy projects worldwide, in partnership with Gay and Robinson, Inc., has formed G&R Ag-Energy and will be developing an integrated, renewable energy facility on Kauai, featuring the state's first ethanol plant.

Therefore, G&R Ag-Energy supports HB 2503's intent to balance the interests of agriculture and energy production on agriculturally designated lands. This bill seeks to provide an incentive for owners of agricultural land to examine uses for agricultural lands that will provide needed revenues to enhance the production of agricultural crops for market or further energy production or both.

G&R Ag-Energy believes that this bill will assist us in our ability to enhance our sugar operations and ethanol production for further business stabilization. This will also enhance the Island of Kauai's renewable energy production thru the use of local feedstocks, thus lowering the islands dependence on imported oil.

We do understand that the bill, in its present form, may inadvertently exclude other similar but non-qualifying agriculture-based renewable energy

concepts from consideration as permissible uses, we believe that the key element of this concept is “a renewable energy facility that is integrated with an agricultural activity.” We believe that this paramount in maintaining a “balance” between crop and energy production on agricultural lands.

We would welcome the opportunity to work with the Committees or whomever you decide may need to continue to work on language to fully develop and enhance agriculture in Hawaii.

Thank you for this opportunity to support HB 2503.



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February 20, 2008

The Honorable Ken Ito, Chair  
The Honorable Jon Riki Karamatsu, Vice Chair, and Members  
House Committee on Water, Land, Ocean Resources  
And Hawaiian Affairs  
The Honorable Clift Tsuji, Chair  
The Honorable Tom Brower, Vice Chair, and Members  
House Committee on Agriculture  
Hawaii State Capitol, Room 325  
Honolulu, HI 96813

BY E-MAIL

**Testimony in Support of House Bill No. 2503 Relating to Agricultural Lands  
(Use of Agricultural districts for agriculture-energy facilities where primary  
activity is agriculture)**

Dear Chair Ito, Chair Tsuji, Vice Chair Karamatsu, Vice Chair Brower, and Committee  
Members:

My name is Dave Arakawa, I am the Executive Director of the Land Use Research  
Foundation of Hawaii (LURF), a private, non-profit research and trade association  
whose members include major Hawaii landowners, developers and a utility company.  
One of LURF's missions is to advocate for reasonable and rational land use planning,  
legislation and regulations affecting common problems in Hawaii.

We appreciate the opportunity to provide our testimony **in support of H.B. No.  
2503.**

**H.B. No. 2503.** The purpose of this bill is to permit the use of lands in agricultural  
land use districts for agricultural-energy facilities when the production, storage, and  
distribution of renewable energy are integrated with agricultural activity. To be  
considered the primary activity of an agricultural-energy enterprise, the total acreage  
devoted to agricultural activity shall be not less than ninety percent (90%) of the total  
acreage of the agricultural-energy enterprise. The agricultural-energy facility shall be  
limited to lands owned, leased, licensed, or operated by the entity conducting the  
agricultural activity.

**LURF's Position.** LURF is in **strongly supports H.B. No. 2503 and  
recommends revisions to broaden the application of the bill to encompass  
and encourage similar worthy agriculture-based renewable energy  
alternatives.** We believe that the current requirements (Ninety percent 90% total