JAN 2 0 2017

#### A BILL FOR AN ACT

RELATING TO AGRICULTURAL LAND.

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

1	SECT	ION 1. Section 205-4.5, Hawaii Revised Statutes, is
2	amended b	y amending subsection (a) to read as follows:
3	"(a)	Within the agricultural district, all lands with soil
4	classifie	d by the land study bureau's detailed land
5	classific	ation as overall (master) productivity rating class A
6	or B and	for solar energy facilities, class B or C, shall be
7	restricte	d to the following permitted uses:
8	(1)	Cultivation of crops, including crops for bioenergy,
9		flowers, vegetables, foliage, fruits, forage, and
10		timber;
11	(2)	Game and fish propagation;
12	(3)	Raising of livestock, including poultry, bees, fish,
13		or other animal or aquatic life that are propagated
14		for economic or personal use;
15	(4)	Farm dwellings, employee housing, farm buildings, or
16		activities or uses related to farming and animal
17		husbandry. "Farm dwelling", as used in this

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1		paragraph, means a single-family dwelling located on
2		and used in connection with a farm, including clusters
3		of single-family farm dwellings permitted within
4		agricultural parks developed by the State, or where
5		agricultural activity provides income to the family
6		occupying the dwelling[+]. No residential project
7		shall be created as a condominium under chapter 514B
8		or a planned community association under chapter 421J;
9	(5)	Public institutions and buildings that are necessary
10		for agricultural practices;
11	(6)	Public and private open area types of recreational
12		uses, including day camps, picnic grounds, parks, and
13		riding stables, but not including dragstrips,
14		airports, drive-in theaters, golf courses, golf
15		driving ranges, country clubs, and overnight camps;
16	(7)	Public, private, and quasi-public utility lines and
17		roadways, transformer stations, communications
18		equipment buildings, solid waste transfer stations,
19		major water storage tanks, and appurtenant small
20		buildings such as booster pumping stations, but not
21		including offices or yards for equipment, material,

1		vehicle storage, repair or maintenance, treatment
2		plants, corporation yards, or other similar
3		structures;
4	(8)	Retention, restoration, rehabilitation, or improvement
5		of buildings or sites of historic or scenic interest;
6	(9)	Agricultural-based commercial operations as described
7		in section 205-2(d)(15);
8	(10)	Buildings and uses, including mills, storage, and
9		processing facilities, maintenance facilities,
10		photovoltaic, biogas, and other small-scale renewable
11		energy systems producing energy solely for use in the
12		agricultural activities of the fee or leasehold owner
13		of the property, and vehicle and equipment storage
14		areas that are normally considered directly accessory
15		to the above-mentioned uses and are permitted under
16		section 205-2(d);
17	(11)	Agricultural parks;
18	(12)	Plantation community subdivisions, which as used in
19		this chapter means an established subdivision or
20		cluster of employee housing, community buildings, and
21		agricultural support buildings on land currently or

1		form	erly owned, leased, or operated by a sugar or		
2		pine	pineapple plantation; provided that the existing		
3		stru	structures may be used or rehabilitated for use, and		
4		new	employee housing and agricultural support		
5		buil	dings may be allowed on land within the		
6		subd	ivision as follows:		
7		(A)	The employee housing is occupied by employees or		
8			former employees of the plantation who have a		
9			property interest in the land;		
10		(B)	The employee housing units not owned by their		
11			occupants shall be rented or leased at affordable		
12			rates for agricultural workers; or		
13		(C)	The agricultural support buildings shall be		
14			rented or leased to agricultural business		
15			operators or agricultural support services;		
16	(13)	Agri	cultural tourism conducted on a working farm, or a		
17		farm	ing operation as defined in section 165-2, for the		
18		enjo	yment, education, or involvement of visitors;		
19		prov	ided that the agricultural tourism activity is		
20		acce	ssory and secondary to the principal agricultural		
21		use	and does not interfere with surrounding farm		

1		operations; and provided further that this paragraph
2		shall apply only to a county that has adopted
3		ordinances regulating agricultural tourism under
4		section 205-5;
5	(14)	Agricultural tourism activities, including overnight
6		accommodations of twenty-one days or less, for any one
7		stay within a county; provided that this paragraph
8		shall apply only to a county that includes at least
9		three islands and has adopted ordinances regulating
10		agricultural tourism activities pursuant to section
11		205-5; provided further that the agricultural tourism
12		activities coexist with a bona fide agricultural
13		activity. For the purposes of this paragraph, "bona
14		fide agricultural activity" means a farming operation
15		as defined in section 165-2;
16	(15)	Wind energy facilities, including the appurtenances
17		associated with the production and transmission of
18		wind generated energy; provided that the wind energy
19		facilities and appurtenances are compatible with
20		agriculture uses and cause minimal adverse impact on
21		agricultural land;

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

For the purposes of this paragraph:

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

"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
residues and wastes that can be used to generate
energy;

1	(T7)	Agricultural-energy facilities, including
2		appurtenances necessary for an agricultural-energy
3		enterprise; provided that the primary activity of the
4		agricultural-energy enterprise is agricultural
5		activity. To be considered the primary activity of ar
6		agricultural-energy enterprise, the total acreage
7		devoted to agricultural activity shall be not less
8		than ninety per cent of the total acreage of the
9		agricultural-energy enterprise. The agricultural-
10		energy facility shall be limited to lands owned,
11		leased, licensed, or operated by the entity conducting
12		the agricultural activity.
13		As used in this paragraph:
14		"Agricultural activity" means any activity
15		described in paragraphs (1) to (3) of this subsection.
16		"Agricultural-energy enterprise" means an
17		enterprise that integrally incorporates an
18		agricultural activity with an agricultural-energy
19		facility.
20		"Agricultural-energy facility" means a facility
21		that generates, stores, or distributes renewable

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energy as defined in section 269-91 or renewable fuel
including electrical or thermal energy or liquid or
gaseous fuels from products of agricultural activities
from agricultural lands located in the State.
"Appurtenances" means operational infrastructure
of the appropriate type and scale for the economic
commercial generation, storage, distribution, and
other similar handling of energy, including equipment,

feedstock, fuels, and other products of agricultural-

(18) Construction and operation of wireless communication antennas; provided that, for the purposes of this paragraph, "wireless communication antenna" means communications equipment that is either freestanding or placed upon or attached to an already existing structure and that transmits and receives electromagnetic radio signals used in the provision of all types of wireless communications services; provided further that nothing in this paragraph shall be construed to permit the construction of any new

energy facilities;

1		structure that is not deemed a permitted use under
2		this subsection;
3	(19)	Agricultural education programs conducted on a farming
4		operation as defined in section 165-2, for the
5	·	education and participation of the general public;
6		provided that the agricultural education programs are
7		accessory and secondary to the principal agricultural
8		use of the parcels or lots on which the agricultural
9		education programs are to occur and do not interfere
10		with surrounding farm operations. For the purposes of
11		this paragraph, "agricultural education programs"
12		means activities or events designed to promote
13		knowledge and understanding of agricultural activities
14		and practices conducted on a farming operation as
15		defined in section 165-2;
16	(20)	Solar energy facilities that do not occupy more than
17		ten per cent of the acreage of the parcel, or twenty
18		acres of land, whichever is lesser or for which a
19		special use permit is granted pursuant to section 205-
20		6; provided that this use shall not be permitted on
21		lands with soil classified by the land study bureau's

1		detailed land classification as overall (master)			
2		productivity rating class A unless the solar energy			
3		faci	facilities are:		
4		(A)	Located on a paved or unpaved road in existence		
5			as of December 31, 2013, and the parcel of land		
6			upon which the paved or unpaved road is located		
7			has a valid county agriculture tax dedication		
8			status or a valid agricultural conservation		
9			easement;		
10		(B)	Placed in a manner that still allows vehicular		
11			traffic to use the road; and		
12		(C)	Granted a special use permit by the commission		
13			pursuant to section 205-6;		
14	(21)	Sola	ar energy facilities on lands with soil classified		
15		by t	the land study bureau's detailed land		
16		clas	ssification as overall (master) productivity rating		
17		Вог	C for which a special use permit is granted		
18		purs	suant to section 205-6; provided that:		
19		(A)	The area occupied by the solar energy facilities		
20			is also made available for compatible		
21			agricultural activities at a lease rate that is		

1	at	least fifty per cent below the fair market
2	rer	t for comparable properties;
3	(B) Pro	of of financial security to decommission the
4	fac	ility is provided to the satisfaction of the
5	apŗ	ropriate county planning commission prior to
6	dat	e of commencement of commercial generation;
7	and	l
8	(C) Sol	ar energy facilities shall be decommissioned
9	at	the owner's expense according to the following
10	rec	quirements:
11	(i)	Removal of all equipment related to the
12		solar energy facility within twelve months
13		of the conclusion of operation or useful
14		life; and
15	(ii)	Restoration of the disturbed earth to
16		substantially the same physical condition as
17		existed prior to the development of the
18		solar energy facility.
19	For the	purposes of this paragraph, "agricultural
20	activiti	es" means the activities described in
21	paragrap	ohs (1) to (3);

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1	(22)	Geotherma	l resources exploration and geothermal
2		resources	development, as defined under section 182-1;
3		or	
4	(23)	Hydroelec	tric facilities, including the appurtenances
5		associate	d with the production and transmission of
6		hydroelec	tric energy, subject to section 205-2;
7		provided	that the hydroelectric facilities and their
8		appurtena	nces:
9		(A) Shal	l consist of a small hydropower facility as
10		defi	ned by the United States Department of
11		Ener	gy, including:
12		(i)	Impoundment facilities using a dam to store
13			water in a reservoir;
14		(ii)	A diversion or run-of-river facility that
15			channels a portion of a river through a
16			canal or channel; and
17		(iii)	Pumped storage facilities that store energy
18			by pumping water uphill to a reservoir at
19			higher elevation from a reservoir at a lower
20			elevation to be released to turn a turbine
21			to generate electricity;

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1	(B) Comply with the state water code, chapter 1/4C;	
2	(C) Shall, if over five hundred kilowatts in	
3	hydroelectric generating capacity, have the	
4	approval of the commission on water resource	
5	management, including a new instream flow	
6	standard established for any new hydroelectric	
7	facility; and	
8	(D) Do not impact or impede the use of agricultural	
9	land or the availability of surface or ground	
10	water for all uses on all parcels that are serv	ed
11	by the ground water sources or streams for whic	h
12	hydroelectric facilities are considered."	
13	SECTION 2. Section 514B-31, Hawaii Revised Statutes, is	
14	amended by amending subsection (a) to read as follows:	
15	"(a) To create a condominium property regime, all of the	:
16	owners of the fee simple interest in land shall execute and	
17	record a declaration submitting the land to the condominium	
18	property regime. Upon recordation of the master deed together	
19	with a declaration, the condominium property regime shall be	
20	deemed created[-]: provided that:	

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I	<u>(T)</u>	No condominium property regime shall be created on any	
2		parcel of agricultural land consisting of twenty-five	
3		or more acres;	
4	(2)	No condominium property regime created on any parcel	
5		of agricultural land shall be later amended to allow	
6		for a residential dwelling; and	
7	(3)	No parcel of agricultural land consisting of twenty-	
8		five or more acres shall be subdivided for the purpose	
9		of creating a condominium property regime."	
10	SECT	ION 3. Statutory material to be repealed is bracketed	
11	and stricken. New statutory material is underscored.		
12	SECTION 4. This Act shall take effect upon its approval;		
13	provided that the amendments made to section 205-4.5(a), Hawaii		
14	Revised S	tatutes, by section 1 of this Act shall not be repealed	
15	when that	section is repealed and reenacted on June 30, 2019, by	
16	section 3	of Act 52, Session Laws of Hawaii 2014.	
17			

INTRODUCED BY

Siffwed Road & Ped Machine

#### Report Title:

Condominium Property Regime; Agricultural Land

#### Description:

Prohibits the creation of a condominium property regime on agricultural land 25 acres or greater. Prohibits a condominium property regime on agricultural land from being amended to allow a residential dwelling. Prohibits the subdivision of agricultural land 25 acres or greater for the purpose of creating a condominium property regime. Prohibits any residential project created as a condominium under chapter 514B, HRS, or a planned community association under chapter 421J, HRS, in class A or B agricultural lands.

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