



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 2, 2019

GOV. MSG. NO. 1305

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirtieth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirtieth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 2, 2019, the following bill was signed into law:

HB452 HD1 SD1 CD1

RELATING TO PREFERENTIAL ELECTRICITY
RATES FOR PROTECTED AGRICULTURE.
ACT 203 (19)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

A BILL FOR AN ACT

RELATING TO PREFERENTIAL ELECTRICITY RATES FOR PROTECTED
AGRICULTURE.

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

1 SECTION 1. The legislature finds that it is the policy of
2 the State to promote the increased production of fruits and
3 vegetables for local consumption. The legislature also finds
4 that protected agriculture, a term that encompasses a variety of
5 crop production technologies and techniques that use partial or
6 full control of a plant's micro-climate to target the particular
7 requirements of the species, helps overcome local pests and
8 weather pressures that negatively impact agriculture in the
9 State. When properly managed, protected agriculture allows for
10 more efficient use of water and fertilizer while also reducing
11 the need for pesticides and herbicides.

12 The legislature further finds that protected agriculture
13 aligns with the federal Food and Drug Administration's Food
14 Safety Modernization Act, P.L. 111-353, by producing fruits and
15 vegetables in a safe and optimum environment. However, without
16 a preferential rate for electricity, protected agriculture



1 cannot economically produce the quantities of fruits and
2 vegetables needed to advance Hawaii's sustainability
3 initiatives.

4 The purpose of this Act is to authorize the public
5 utilities commission to establish preferential electricity rates
6 for agricultural activities that utilize protected agriculture
7 to produce fruits or vegetables for distribution.

8 SECTION 2. Chapter 269, Hawaii Revised Statutes, is
9 amended by adding a new section to part I to be appropriately
10 designated and to read as follows:

11 "§269- Preferential electricity rates; protected
12 agriculture. (a) The public utilities commission may establish
13 preferential electricity rates for agricultural activities that
14 utilize protected agriculture to produce fruits or vegetables
15 for distribution; provided that the protected agriculture
16 includes reasonable efforts to incorporate cost-effective
17 renewable energy sources and energy efficiency measures.

18 (b) In considering preferential rates, the public
19 utilities commission shall ensure that any subsidization being
20 paid by other customers is limited and reasonable and shall
21 periodically review and adjust the rate, if necessary.



- 1 (c) A public utility shall provide a request for
2 preferential electricity rates to the public utilities
3 commission for approval upon receipt of:
- 4 (1) A bona fide request for preferential electricity rates
5 for agricultural activities that utilize protected
6 agriculture to produce fruits or vegetables for
7 distribution; and
- 8 (2) Proof that the fruits or vegetables cited in the
9 request are produced in a manner consistent with this
10 section.
- 11 (d) For purposes of this section, "protected agriculture"
12 means any crop production technologies or techniques that
13 partially or fully control a plant's micro-climate to target the
14 particular requirements of the species; provided that the term
15 shall not include agricultural activities that produce medical
16 cannabis."
- 17 SECTION 3. This Act does not affect rights and duties that
18 matured, penalties that were incurred, and proceedings that were
19 begun before its effective date.
- 20 SECTION 4. New statutory material is underscored.
- 21 SECTION 5. This Act shall take effect on July 1, 2019.



H.B. NO.

452
H.D. 1
S.D. 1
C.D. 1

APPROVED this 02 day of JUL, 2019



GOVERNOR OF THE STATE OF HAWAII

HB No. 452, HD 1, SD 1, CD 1

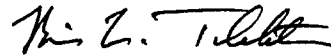
THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 1, 2019
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019.



Scott K. Saiki
Speaker
House of Representatives

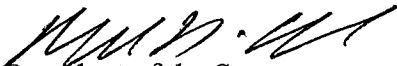


Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: April 30, 2019
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the
Senate of the Thirtieth Legislature of the State of Hawai'i, Regular Session of 2019.


President of the Senate


Clerk of the Senate