A BILL FOR AN ACT

RELATING TO AGRICULTURAL LANDS.

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

| 1 | SECT | ION 1. The purpose of this Act is to: |
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| 2 | (1) | Amend the definition of "farm dwelling" that applies |
| 3 | | to allowable uses in the agricultural district; and |
| 4 | (2) | Amend certain land subdivision and condominium |
| 5 | | property regime laws related to agricultural land, as |
| 6 | | recommended by the office of planning in its study of |
| 7 | | subdivision and condominium property regimes on |
| 8 | | agricultural lands on Oahu conducted pursuant to Act |
| 9 | | 278, Session Laws of Hawaii 2019; and |
| 10 | (3) | Subject condominium associations that violate section |
| 11 | | 205-4.6, Hawaii Revised Statutes, to the enforcement |
| 12 | , | authority of the department of commerce and consumer |
| 13 | | affairs. |
| 14 | SECT | ION 2. Chapter 514B, Hawaii Revised Statutes, is |
| 15 | amended b | y adding a new section to be appropriately designated |
| 16 | and to re | ad as follows: |

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| 1 | " <u>§51</u> | 4B- Private restrictions on agricultural uses and |
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| 2 | <u>activitie</u> | s; not allowed; noncompliant condominium associations. |
| 3 | Any condo | minium association that violates section 205-4.6 shall |
| 4 | be subjec | t to the enforcement authority of the department of |
| 5 | commerce | and consumer affairs." |
| 6 | SECT | ION 3. Section 205-4.5, Hawaii Revised Statutes, is |
| 7 | amended a | s follows: |
| 8 | 1. | By amending subsection (a) to read: |
| 9 | "(a) | Within the agricultural district, all lands with soil |
| 10 | classifie | d by the land study bureau's detailed land |
| 11 | classific | ation as overall (master) productivity rating class A |
| 12 | or B and | for solar energy facilities, class B or C, shall be |
| 13 | restricte | d to the following permitted uses: |
| 14 | (1) | Cultivation of crops, including crops for bioenergy, |
| 15 | | flowers, vegetables, foliage, fruits, forage, and |
| 16 | | timber; |
| 17 | (2) | Game and fish propagation; |
| 18 | (3) | Raising of livestock, including poultry, bees, fish, |
| 19 | | or other animal or aquatic life that are propagated |
| 20 | | for economic or personal use; |

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| 1 | (4) | Farm dwellings, employee housing, farm buildings, or |
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| 2 | | activities or uses related to farming and animal |
| 3 | | husbandry. "Farm dwelling", as used in this |
| 4 | | paragraph, means a single-family dwelling located on |
| 5 | | and [used in connection with] accessory to a farm, |
| 6 | | including clusters of single-family farm dwellings |
| 7 | | permitted within agricultural parks developed by the |
| 8 | | State, or where agricultural activity provides income |
| 9 | | of no less than \$10,000 a year to the family occupying |
| 10 | | the dwelling; provided that agricultural activity |
| 11 | | income shall be determined by any state general excise |
| 12 | | tax return filing or agricultural dedication for the |
| 13 | | parcel or lot of record approved by the county in |
| 14 | | which the dwelling and agricultural activity are |
| 15 | | located; |
| 16 | (5) | Public institutions and buildings that are necessary |
| 17 | | for agricultural practices; |
| 18 | (6) | Public and private open area types of recreational |
| 19 | | uses, including day camps, picnic grounds, parks, and |
| 20 | | riding stables, but not including dragstrips, |

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1 airports, drive-in theaters, golf courses, golf driving ranges, country clubs, and overnight camps; 2 3 Public, private, and guasi-public utility lines and (7)4 roadways, transformer stations, communications 5 equipment buildings, solid waste transfer stations, 6 major water storage tanks, and appurtenant small 7 buildings such as booster pumping stations, but not 8 including offices or yards for equipment, material, 9 vehicle storage, repair or maintenance, treatment 10 plants, corporation yards, or other similar 11 structures; Retention, restoration, rehabilitation, or improvement 12 (8) of buildings or sites of historic or scenic interest; 13 14 (9) Agricultural-based commercial operations as described in section 205-2(d)(15); 15 Buildings and uses, including mills, storage, and 16 (10)processing facilities, maintenance facilities, 17 photovoltaic, biogas, and other small-scale renewable 18 energy systems producing energy solely for use in the 19 20 agricultural activities of the fee or leasehold owner of the property, and vehicle and equipment storage 21

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| 1 | | areas that are normally considered directly accessory | | | |
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| 2 | | to the above-mentioned uses and are permitted under | | | |
| 3 | | section 205-2(d); | | | |
| 4 | (11) | Agricultural parks; | | | |
| 5 | (12) | Plantation community subdivisions, which as used in | | | |
| 6 | | this chapter means an established subdivision or | | | |
| 7 | | cluster of employee housing, community buildings, and | | | |
| 8 | | agricultural support buildings on land currently or | | | |
| 9 | | formerly owned, leased, or operated by a sugar or | | | |
| 10 | | pineapple plantation; provided that the existing | | | |
| 11 | | structures may be used or rehabilitated for use, and | | | |
| 12 | | new employee housing and agricultural support | | | |
| 13 | | buildings may be allowed on land within the | | | |
| 14 | | subdivision as follows: | | | |
| 15 | | (A) The employee housing is occupied by employees or | | | |
| 16 | | former employees of the plantation who have a | | | |
| 17 | | property interest in the land; | | | |
| 18 | | (B) The employee housing units not owned by their | | | |
| 19 | | occupants shall be rented or leased at affordable | | | |
| 20 | | rates for agricultural workers; or | | | |
| | | | | | |



The agricultural support buildings shall be 1 (C) 2 rented or leased to agricultural business 3 operators or agricultural support services; Agricultural tourism conducted on a working farm, or a 4 (13)farming operation as defined in section 165-2, for the 5 enjoyment, education, or involvement of visitors; 6 7 provided that the agricultural tourism activity is accessory and secondary to the principal agricultural 8 use and does not interfere with surrounding farm 9 operations; and provided further that this paragraph 10 shall apply only to a county that has adopted 11 12 ordinances regulating agricultural tourism under section 205-5; 13 Agricultural tourism activities, including overnight 14 (14)accommodations of twenty-one days or less, for any one 15 stay within a county; provided that this paragraph 16 17 shall apply only to a county that includes at least three islands and has adopted ordinances regulating 18 agricultural tourism activities pursuant to section 19 205-5; provided further that the agricultural tourism 20 activities coexist with a bona fide agricultural 21

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1 activity. For the purposes of this paragraph, "bona fide agricultural activity" means a farming operation 2 3 as defined in section 165-2; 4 Wind energy facilities, including the appurtenances (15)5 associated with the production and transmission of wind generated energy; provided that the wind energy 6 7 facilities and appurtenances are compatible with 8 agriculture uses and cause minimal adverse impact on 9 agricultural land; 10 (16)Biofuel processing facilities, including the 11 appurtenances associated with the production and 12 refining of biofuels that is normally considered 13 directly accessory and secondary to the growing of the 14 energy feedstock; provided that biofuel processing 15 facilities and appurtenances do not adversely impact 16 agricultural land and other agricultural uses in the 17 vicinity. 18 For the purposes of this paragraph: 19 "Appurtenances" means operational infrastructure of the appropriate type and scale for economic 20 commercial storage and distribution, and other similar 21

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1 handling of feedstock, fuels, and other products of 2 biofuel processing facilities. 3 "Biofuel processing facility" means a facility 4 that produces liquid or gaseous fuels from organic 5 sources such as biomass crops, agricultural residues, 6 and oil crops, including palm, canola, soybean, and 7 waste cooking oils; grease; food wastes; and animal 8 residues and wastes that can be used to generate 9 energy; 10 (17)Agricultural-energy facilities, including 11 appurtenances necessary for an agricultural-energy 12 enterprise; provided that the primary activity of the 13 agricultural-energy enterprise is agricultural 14 activity. To be considered the primary activity of an 15 agricultural-energy enterprise, the total acreage 16 devoted to agricultural activity shall be not less 17 than ninety per cent of the total acreage of the 18 agricultural-energy enterprise. The agricultural-19 energy facility shall be limited to lands owned, 20 leased, licensed, or operated by the entity conducting 21 the agricultural activity.



| 1 | | As used in this paragraph: |
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| 2 | | "Agricultural activity" means any activity |
| 3 | | described in paragraphs (1) to (3) of this subsection. |
| 4 | | "Agricultural-energy enterprise" means an |
| 5 | | enterprise that integrally incorporates an |
| 6 | | agricultural activity with an agricultural-energy |
| 7 | | facility. |
| 8 | | "Agricultural-energy facility" means a facility |
| 9 | | that generates, stores, or distributes renewable |
| 10 | | energy as defined in section 269-91 or renewable fuel |
| 11 | | including electrical or thermal energy or liquid or |
| 12 | | gaseous fuels from products of agricultural activities |
| 13 | | from agricultural lands located in the State. |
| 14 | | "Appurtenances" means operational infrastructure |
| 15 | | of the appropriate type and scale for the economic |
| 16 | | commercial generation, storage, distribution, and |
| 17 | | other similar handling of energy, including equipment, |
| 18 | | feedstock, fuels, and other products of agricultural- |
| 19 | | energy facilities; |
| 20 | (18) | Construction and operation of wireless communication |
| 21 | | antennas, including small wireless facilities; |



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provided that, for the purposes of this paragraph, 1 2 "wireless communication antenna" means communications equipment that is either freestanding or placed upon 3 or attached to an already existing structure and that 4 5 transmits and receives electromagnetic radio signals 6 used in the provision of all types of wireless 7 communications services; provided further that "small 8 wireless facilities" shall have the same meaning as in 9 section 206N-2; provided further that nothing in this paragraph shall be construed to permit the 10 11 construction of any new structure that is not deemed a permitted use under this subsection; 12 Agricultural education programs conducted on a farming 13 (19)operation as defined in section 165-2, for the 14 education and participation of the general public; 15 16 provided that the agricultural education programs are accessory and secondary to the principal agricultural 17 use of the parcels or lots on which the agricultural 18 education programs are to occur and do not interfere 19 with surrounding farm operations. For the purposes of 20 21 this paragraph, "agricultural education programs"



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| 1 | | means activities or events designed to promote |
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| 2 | | knowledge and understanding of agricultural activities |
| 3 | | and practices conducted on a farming operation as |
| 4 | | defined in section 165-2; |
| 5 | (20) | Solar energy facilities that do not occupy more than |
| 6 | | ten per cent of the acreage of the parcel, or twenty |
| 7 | | acres of land, whichever is lesser or for which a |
| 8 | | special use permit is granted pursuant to section |
| 9 | | 205-6; provided that this use shall not be permitted |
| 10 | | on lands with soil classified by the land study |
| 11 | | bureau's detailed land classification as overall |
| 12 | | (master) productivity rating class A; |
| 13 | (21) | Solar energy facilities on lands with soil classified |
| 14 | | by the land study bureau's detailed land |
| 15 | | classification as overall (master) productivity rating |
| 16 | | B or C for which a special use permit is granted |
| 17 | | pursuant to section 205-6; provided that: |
| 18 | | (A) The area occupied by the solar energy facilities |
| 19 | | is also made available for compatible |
| 20 | | agricultural activities at a lease rate that is |

| 1 | | at least fifty per cent below the fair market |
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| 2 | | rent for comparable properties; |
| 3 | (B) | Proof of financial security to decommission the |
| 4 | | facility is provided to the satisfaction of the |
| 5 | | appropriate county planning commission prior to |
| 6 | | date of commencement of commercial generation; |
| 7 | | and |
| 8 | (C) | Solar energy facilities shall be decommissioned |
| 9 | | at the owner's expense according to the following |
| 10 | | requirements: |
| 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 | acti | vities" means the activities described in |
| 21 | para | graphs (1) to (3); |

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| 1 | (22) | Geotherma | l resources exploration and geothermal |
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| 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 174C; |
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| 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 served |
| 11 | | by the ground water sources or streams for which |
| 12 | | hydroelectric facilities are considered." |
| 13 | 2. By a | mending subsection (f) to read: |
| 14 | "[[](f)[] |] Notwithstanding any other law to the contrary, |
| 15 | agricultural l | ands may be subdivided and leased for the |
| 16 | agricultural u | uses or activities permitted in subsection (a); |
| 17 | provided that: | |
| 18 | (1) The | principal use of the leased land is agriculture; |
| 19 | (2) No p | permanent or temporary dwellings or farm dwellings, |
| 20 | incl | uding trailers and campers, are constructed on the |
| 21 | leas | sed area. This restriction shall not prohibit the |



| 1 | construction of storage sheds, equipment sheds, or |
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| 2 | other structures appropriate to the agricultural |
| 3 | activity carried on within the lot; [and] provided |
| 4 | that any violation of this paragraph shall be subject |
| 5 | to county enforcement authority and fines pursuant to |
| 6 | sections 46-4, 205-12, and 205-13; and |
| 7 | (3) The lease term for a subdivided lot shall be for at |
| 8 | least as long as the greater of: |
| 9 | (A) The minimum real property tax agricultural |
| 10 | dedication period of the county in which the |
| 11 | subdivided lot is located; or |
| 12 | (B) Five years. |
| 13 | Lots created and leased pursuant to this section shall be legal |
| 14 | lots of record for mortgage lending purposes and shall be exempt |
| 15 | from county subdivision standards." |
| 16 | SECTION 4. Section 514B-52, Hawaii Revised Statutes, is |
| 17 | amended by amending subsection (b) to read as follows: |
| 18 | "(b) An application for registration of a project in the |
| 19 | agricultural district classified pursuant to chapter 205 shall |
| 20 | include a verified statement, signed by an appropriate county |
| 21 | official, that the project as described and set forth in the |
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1 project's declaration, condominium map, bylaws, and house rules 2 does not include any restrictions limiting or prohibiting 3 agricultural uses or activities, in compliance with section 4 205-4.6. The statement shall also include the applicant's 5 assessment and county comments regarding the availability of 6 supportive infrastructure, any potential impact on governmental 7 plans and resources, sensitive environmental resources, and any 8 other requirements pursuant to county ordinances and rules. The 9 commission shall not accept the registration of a project where 10 a county official has not signed a verified statement." 11 SECTION 5. This Act does not affect rights and duties that 12 matured, penalties that were incurred, and proceedings that were 13 begun before its effective date. 14 SECTION 6. Statutory material to be repealed is bracketed 15 and stricken. New statutory material is underscored. 16 SECTION 7. This Act shall take effect upon its approval. 17

J.K. Cull INTRODUCED BY:

JAN 2 5 2021



Report Title:

Agricultural Lands; Farm Dwelling; Land Subdivisions; Condominium Property Regime

Description:

Amends the definition of "farm dwelling" that applies to allowable uses in the agricultural district. Amends certain land subdivision and condominium property regime laws related to agricultural land, as recommended pursuant to Act 278, Session Laws of Hawaii 2019, to ensure agricultural lands that are organized under a condominium property regime are used for agricultural purposes. Subjects condominium associations that violate section 205-4.6, Hawaii Revised Statutes, to the enforcement authority of the department of commerce and consumer affairs.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

