S.B. NO. <u>/309</u>

A BILL FOR AN ACT

RELATING TO IMPORTANT AGRICULTURAL LANDS.

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

1	SECT	ION 1. Chapter 205, Hawaii Revised Statutes, is
2	amended b	y adding to part III a new section to be appropriately
3	designate	d and to read as follows:
4	" <u>§205</u>	- Permissible uses on lands designated important
5	agricultu	ral lands. (a) All lands designated important
6	agricultu	ral lands shall be restricted to the following
7	permitted	uses:
8	(1)	Cultivation of crops, including but not limited
9		to flowers, vegetables, foliage, fruits, forage,
10		and timber;
11	(2)	Game and fish propagation;
12	(3)	Raising of livestock, including but not limited to
13		poultry, bees, fish, or other animal or aquatic
14		life that are propagated for economic use;
15	(4)	Farm dwellings related to farming and animal
16		husbandry. "Farm dwelling" as used in this paragraph
17		means a single-family dwelling located on and used in

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1		conne	ection with a farm, including clusters of single-
2		<u>fami</u>	ly farm dwellings permitted within agricultural
3	·	parks	s developed by the State, or where agricultural
4		acti	vity provides income to the family occupying the
5		dwell	ling; provided that the maximum density on land
6		desi	gnated important agricultural land shall be one
7		farm	dwelling per fifty acres and only minimal
8		infra	astructure shall be allowed; provided further that
9		<u>if a</u>	lot designated important agricultural land is
10		less	than fifty acres when designated important
11		agric	cultural land, one farm dwelling shall be
12		permi	tted on that lot.
13	<u>(5)</u>	Agric	cultural worker housing, provided:
14		<u>(A)</u>	The land used for agricultural worker housing
15			shall not exceed two per cent of the total land
16			area of the lot;
17		<u>(B)</u>	The agricultural worker housing shall be rented
18			solely to the agricultural workers working on the
19			lot and their families;
20		<u>(C)</u>	The agricultural worker housing shall be built in
21			cluster fashion; provided that the cluster shall

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1		not break up contiguous blocks of land designated
2		important agricultural land; and
3		(D) Agricultural worker housing shall not be counted
4		toward the maximum density of one dwelling unit
5		per fifty acres.
6	(6)	Public institutions and buildings that are necessary
7		for agricultural practices;
8	(7)	Public, private, and quasi-public utility lines and
9		roadways, transformer stations, communications
10		equipment buildings, solid waste transfer stations,
11		major water storage tanks, and appurtenant small
12		buildings such as booster pumping stations, but not
13		including offices or yards for equipment, material,
14		vehicle storage, repair or maintenance, treatment
15		plants, corporation yards; or other similar
16		structures;
17	(8)	Retention, restoration, rehabilitation, or
18		improvements of sites of historic, scenic, or cultural
19		<pre>importance;</pre>
20	(9)	Roadside stands for the sale of agricultural products
21		grown on the premises;

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1	(10)	Buildings and uses, including but not limited to
2		mills, storage, and processing facilities, maintenance
3		facilities, and vehicle and equipment storage areas
4		that are normally considered directly accessory to the
5		above mentioned uses and are permitted under section
6		205-2(d);
7	(11)	Agricultural parks;
8	(12)	Agricultural tourism, conducted on a working farm, or
9		a farming operation as defined in section 165-2, for
10		the enjoyment, education, or involvement of visitors;
11		provided that the agricultural tourism activity is
12		accessory and secondary to the principal agricultural
13		use and does not interfere with surrounding farm
14		operations; and provided further that this paragraph
15		shall apply only to a county that has adopted
16		ordinances regulating agricultural tourism under
17		section 205-5; or
18	(13)	Bio-fuels processing facilities, provided that the
19		majority of the feedstock is grown within the State as
20		determined by the department of agriculture and after
21		an initial and non-renewable three-year period
22		commencing upon final approval to operate such

1	facilities to allow the importation of feedstock and				
2	fuels, and alternative energy generating facilities,				
3	including the appurtenances associated with the				
4	production and transmission of alternative generated				
5	energy; and provided further that such facilities and				
6	appurtenances are compatible with agricultural uses				
7	and cause minimal adverse impact on important				
8	agricultural land.				
9	(b) Uses not expressly permitted in subsection (a) shall				
10	be prohibited, except the uses permitted as provided in section				
11	205-8, and construction of single-family dwellings on lots				
12	existing before June 4, 1976. Any other law to the contrary				
13	notwithstanding, no subdivision of land designated important				
14	agricultural lands shall be approved by a county unless the said				
15	lands within the subdivision shall be made subject to the				
16	restriction on uses as prescribed in this section, to the				
17	condition that the uses shall be in pursuit of an agricultural				
18	activity and to the following:				
19	(1) A subdivision resulting in agricultural lots or				
20	parcels not less than ten acres in size for the				
21	purpose of leasing the resulting ten-acre parcels for				
22	agricultural purposes; provided that only one farm				

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1		<u>dwe</u> .	lling shall be permitted for every fifty acres and
2		only	y basic infrastructure shall be required or
3		allo	owed;
4	(2)	Afte	er land has been designated as important
5		<u>agri</u>	cultural lands, it may be subdivided one time only
6		and:	
7		<u>(A)</u>	Any permitted farm dwellings shall be built in
8			cluster fashion; provided that the clustered farm
9			dwellings, together with a fifty-foot buffer
10			between the farm dwellings and the remaining
11			important agricultural land may not exceed one
12			per cent of the total land area of the land
13			before subdivision;
14		<u>(B)</u>	The configuration and placement of the cluster of
15			farm dwellings shall not break up contiguous
16			blocks of important agricultural lands; and
17		<u>(C)</u>	The overall density may not exceed one farm
18			dwelling for each fifty acres of important
19			agricultural land in the subdivision.
20	Any deed,	leas	e, agreement of sale, mortgage, or other
21	instrument	of	conveyance covering any land within the
22	agricultur	cal su	abdivision of lands designated important

1 agricultural lands shall expressly contain the restriction on 2 uses and the conditions contained in this section, which restrictions and conditions shall be encumbrances running with 3 the land until such time that the land is no longer designated 4 as important agricultural lands." 5 SECTION 2. Section 205-4.5, Hawaii Revised Statutes, is 6 amended by amending subsection (a) to read as follows: 7 This section and any other law to the contrary 8 notwithstanding, lands designated as important agricultural 9 lands shall be restricted to the uses permitted in section 205-10 . Within the agricultural district, all lands [with soil 11 classified by the land study bureau's detailed land 12 13 classification as overall (master) productivity rating class A or B] shall be restricted to the following permitted uses: 14 Cultivation of crops, including but not limited to 15 (1)flowers, vegetables, foliage, fruits, forage, and 16 timber; 17 (2) Game and fish propagation; 18 (3)Raising of livestock, including but not limited to 19 poultry, bees, fish, or other animal or aquatic life 20 that are propagated for economic or personal use; 21

1	(4)	Farm dwellings, employee housing, farm buildings, or
2		activities or uses related to farming and animal
3		husbandry. "Farm dwelling", as used in this paragraph
4		means a single-family dwelling located on and used in
5		connection with a farm, including clusters of single-
6		family farm dwellings permitted within agricultural
7		parks developed by the State, or where agricultural
8		activity provides income to the family occupying the
9		dwelling;
10	(5)	Public institutions and buildings that are necessary
11		for agricultural practices;
12	(6)	Public and private open area types of recreational
13		uses, including day camps, picnic grounds, parks, and
14		riding stables, but not including dragstrips,
15		airports, drive-in theaters, golf courses, golf
16		driving ranges, country clubs, and overnight camps;
17	(7)	Public, private, and quasi-public utility lines and
18		roadways, transformer stations, communications
19		equipment buildings, solid waste transfer stations,
20		major water storage tanks, and appurtenant small
21		buildings such as booster pumping stations, but not
22		including offices or yards for equipment, material,

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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)	Roadside stands for the sale of agricultural products
7		grown on the premises;
8	(10)	Buildings and uses, including but not limited to
9		mills, storage, and processing facilities, maintenance
10		facilities, and vehicle and equipment storage areas
11		that are normally considered directly accessory to the
12		above mentioned uses and are permitted under section
13		205-2(d);
14	(11)	Agricultural parks;
15	(12)	Plantation community subdivisions, which as used in
16		this paragraph means a subdivision or cluster of
17		employee housing, community buildings, and acreage
.8		established on land currently or formerly owned,
9		leased, or operated by a sugar or pineapple plantation
:0		and in residential use by employees or former
:1		employees of the plantation; provided that the

1	employees or former employees shall have a property
2	interest in the land;
3	[+](13)[+] Agricultural tourism conducted on a working
4	farm, or a farming operation as defined in section
5	165-2, for the enjoyment, education, or involvement of
6	visitors; provided that the agricultural tourism
7	activity is accessory and secondary to the principal
8	agricultural use and does not interfere with
9	surrounding farm operations; and provided further that
10	this paragraph shall apply only to a county that has
11	adopted ordinances regulating agricultural tourism
12	under section 205-5; or
13	[{(14)}] [Wind] Bio-fuels processing facilities, provided
14	that the majority of the feedstock is grown within the
15	state as determined by the department of agriculture
16	and after an initial and non-renewable three-year
17	period commencing upon final approval to operate such
18	facilities to allow the importation of feedstock and
19	fuels, and alternative energy generating facilities,
20	including the appurtenances associated with the
21	production and transmission of [wind] alternative
22	generated energy; provided that such facilities and

1	appurtenances are compatible with agriculture uses and
2	cause minimum adverse impact on agricultural land."
3	SECTION 3. Statutory material to be repealed is bracketed
4	and stricken. New statutory material is underscored.
5	SECTION 4. This Act shall take effect upon its approval.
6	
7	INTRODUCED BY:
8	BY REQUEST

JUSTIFICATION SHEET

DEPARTMENT:

Agriculture

TITLE:

A BILL FOR AN ACT RELATING TO IMPORTANT

AGRICULTURAL LANDS.

PURPOSE:

This bill amends chapter 205, Hawaii Revised Statutes, to clarify the restrictions on permissible uses of important agricultural lands ("IAL"), including limitations on subdivisions, placement of farm dwellings on IAL, limits on the number of farm dwellings and the percentage of IAL that can be used for farm dwellings, and the addition of biofuels processing facilities as a permissible use on agricultural lands and IAL. Use shall be permitted provided that the majority of the feedstock is grown in the State, as determined by the department of agriculture, after an initial and nonrenewable three-year period commencing upon final approval to operate such facilities during which time the permitted facility will be allowed to import feedstock and fuels.

MEANS:

Add a new section to chapter 205 and amend section 205-4.5(a), Hawaii Revised Statutes.

JUSTIFICATION:

The IAL Act (Act 183, SLH 2005) amended chapter 205, HRS, by establishing methodologies, standards, and criteria to identify, designate and reclassify IAL, and by providing incentives to encourage the establishment of viable uses on IAL. reasonable to conclude that the unstated intent of Act 183 is to support the establishment and expansion of commercialscale agricultural activity on IAL. conclusion is based on the anticipated cost of IAL incentives and the expectation of a return on investment from IAL-based agricultural activities that will be demonstrably greater than any return from rural-residential areas. Act 183 did not provide guidance for potential amendments to chapter 205 with regards to minimum lot size for subdivisions of IAL, permitted and accessory uses and activities on IAL, particularly agricultural worker housing, and providing other critical definitions, conditions, and relationships that apply to IAL and non-IAL agricultural lands. Amendments to Chapter 205 in these areas are necessary for the IAL incentives to have the maximum opportunity to encourage agricultural development.

The identification and designation of IAL pursuant to chapter 205, HRS, will likely capture most agricultural land with Land Study Bureau overall productivity ratings of "A" and "B." Therefore, the segregation and differential treatment of the State Agricultural District according to Land Study Bureau ratings in section 205-4.5 is no longer necessary. Furthermore, this measure anticipates the redefinition of the State Rural District and subsequent reclassification of areas in the Agricultural District with widespread rural-residential uses.

The addition of bio-fuels processing facilities as a permissible use on IAL and non-IAL agricultural lands is proposed with the understanding that the acquisition, preparation, cultivation, and harvesting of feedstock for bio-fuels facilities will take some time, therefore a three-year, non-renewable period will be allowed each facility to import feedstock and fuels.

Impact on the public: Maximizes the potential for viable uses of IAL, thereby strengthening and increasing the diversity of Hawaii's economy.

Impact on the department and other agencies: Provides guidance to counties on permitted uses on IAL.

GENERAL FUND:

None.

OTHER FUNDS:

None.

PPBS PROGRAM

DESIGNATION:

None.

OTHER AFFECTED

AGENCIES:

This bill affects the Land Use Commission

and the counties.

EFFECTIVE DATE:

Upon approval.