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## A BILL FOR AN ACT

RELATING TO WATER RATES FOR AGRICULTURAL USE.

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

1           SECTION 1. For farmers and ranchers to be  
2 competitive and self sustaining, the state must provide the  
3 incentives and mechanisms to ensure that all means of  
4 supporting our local agricultural industry are implemented.

5           One of the biggest obstacles facing our farmers and  
6 ranchers is the availability of water at discounted agricultural  
7 rates. Many farmers are not able to access water provided by  
8 the state or counties at these lower agricultural rates and  
9 must, instead, depend on private entities, such as public  
10 utilities, to furnish their water. The rate structure for water  
11 provided by these entities may not always contain discounted  
12 rates for agricultural water use.

13           The purpose of this Act is to provide fair and equitable  
14 water rates for those relying on water provided by public  
15 utilities by directing the public utilities commission to  
16 require public utilities that furnish agricultural water in an  
17 area zoned for agricultural use to establish a water rate  
18 structure for agricultural water users.



1 SECTION 2. Chapter 269, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4 "§269- Ratemaking; furnishing of water for  
5 agricultural use. (a) The public utilities commission shall  
6 require public utilities that furnish water used for  
7 agricultural purposes in an area zoned for agricultural use to  
8 establish a water rate structure for agricultural water users.  
9 All public utilities furnishing water used for agricultural  
10 purposes in an area zoned for agricultural use shall establish a  
11 water rate structure for agricultural water use by January 1,  
12 2009.

13 (b) The public utilities commission shall adopt rules  
14 pursuant to chapter 91 to effectuate this section."

15 SECTION 3. New statutory material is underscored.

16 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:  
*[Handwritten signatures: Josephine, David, Maiki, John M., Tom Palmer, Karen Awana, Kyle B. Berg, etc.]*



H.B. NO. 2940

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JAN 22 2008

**Report Title:**

Agricultural Water Rates; Public Utilities

**Description:**

Directs the Public Utilities Commission to require public utilities that furnish agricultural water in an area zoned for agricultural use to establish a water rate structure for agricultural water users.

