

STAND. COM. REP. NO.

1666

Honolulu, Hawaii

February 10, 2017

RE: H.B. No. 873

H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 873 entitled:

"A BILL FOR AN ACT RELATING TO SUSTAINABLE LIVING,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of permits for sustainable living research sites that would be exempt from certain county codes and ordinances for experimental purposes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; We Are One, Inc.; Permaculture Foundation of Hawaii; Hawaii Sustainable Community Alliance; Life of the Land; Democratic Party of Hawaii; Kirpal Mediation and Ecological Center; Hedonisia Hawaii Sustainable Community; Koa'e Community Association; and fifteen individuals. Your Committee received testimony in opposition to this measure from the County of Kauai. One individual offered comments on the measure.

Your Committee finds that this measure encourages privately or otherwise funded sustainable projects within a county to research new low-impact ways of living and growing food without the limitations imposed by traditional codes and ordinances. Your Committee notes that the measure establishes a process by which the Department of Health would review a sustainable living research site permit application to determine whether the proposed



research will have a detrimental environmental impact. However, your Committee believes that additional safeguards are necessary to further reduce the risk that detrimental environmental impacts will occur.

Your Committee also finds that the Hawaii Revised Statutes may currently place an undue burden on agricultural operations when a party attempts to establish a hydroelectric facility on an existing irrigation system. Under current law, the addition to an existing irrigation system of a hydroelectric facility with over five hundred kilowatts of generating capacity requires an amendment to existing instream flow standards, even if the hydroelectric facility does not increase the amount of surface water being diverted. Your Committee believes that agricultural operations should be allowed to add to existing irrigation systems those hydroelectric facilities that do not adversely impact instream uses because these facilities add value to the agricultural operations.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the Department of Health to hold a public hearing regarding any sustainable living research permit application under its review;
- (2) Increasing the amount of time the Department of Health may take to review an application from thirty days to sixty days;
- (3) Authorizing the Department of Health to take additional time to process an application if the proposed research poses a significant impact to the local community or environment;
- (4) Clarifying that a county planning department shall deny an application for a sustainable living research permit if the proposed research would cause significant impacts to the local community or environment;
- (5) Replacing the one-acre minimum size requirement for a research site with a fifteen-acre maximum size requirement;
- (6) Authorizing a county planning department to make annual visits to a research site to determine the accuracy of the permittee's annual report;



- (7) Requiring the distribution of a permittee's annual report to the Department of Transportation, the Department of Commerce and Consumer Affairs, the Department of Land and Natural Resources, and the Office of Planning;
- (8) Providing that the installation of a new hydroelectric facility with over five hundred kilowatts in hydroelectric generating capacity shall require an amendment to existing instream flow standards if the new facility requires new or expanded surface water diversions; and
- (9) Changing the effective date to July 1, 2038, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 873, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 873, H.D. 1, and be referred to your Committee on Water & Land.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development & Business,



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MARK M. NAKASHIMA, Chair



