THE SENATE
THIRTIETH LEGISLATURE, 2019
STATE OF HAWAII

S.B. NO. 1064
S.D. 1

A BILL FOR AN ACT

RELATING TO AGRICULTURE.

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

SECTION 1. The legislature finds that article XI, section 3, of the Hawaii State Constitution makes the conservation and protection of Hawaii's agricultural lands a priority. It charges the State to "promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands." This priority is reflected in the state plan as well, which declares self-sufficiency, social and economic mobility, and community well-being as the values guiding the state plan. The legislature finds that securing agricultural lands and promoting agriculture are essential to meet these goals.

The legislature has made attempts to secure agricultural lands by directing the counties to identify important agricultural lands through Act 183, Session Laws of Hawaii 2005, and providing incentives to do so in Act 233, Session Laws of Hawaii 2008. The preservation of important agricultural lands will only be effective if such lands are identified for
preservation before large tracts are lost to development. The State has spent thirty years attempting to identify and protect important agricultural lands, but has failed to do so, and no county council has taken up the issue since 2008.

One of the goals of the state plan is to achieve a strong, viable economy characterized by stability, diversity, and growth. This goal includes, among other things, objectives of increasing and diversifying employment opportunities, encouraging entrepreneurship, assuring basic needs of Hawaii's people in the event of overseas transportation disruptions, and encouraging economically satisfying labor-intensive employment for upward mobility. The legislature further finds that these objectives can be accomplished through expanded agriculture throughout the islands. Such an expansion would improve the amount of locally grown food, diversify the industries upon which the economy is built, and provide an expanded job market for labor and science.

However, these goals can only be met if large parcels of agricultural lands are preserved. Commercially viable agriculture requires large contiguous parcels for operation.

Livestock operations also require large contiguous parcels for
pasture, operations, and buffers. The approval of a dairy on the south shore of Kauai has sparked friction with neighboring land owners -- particularly with the nearest hotel, which has concerns about possible runoff, odors, and water pollution that could be produced by the dairy. This clash of interests indicates that buffers must be included between agricultural lands and non-agricultural operations to mitigate the concerns produced by large-scale agricultural operations. The need for buffers bolsters the need to maintain large, contiguous parcels of agricultural land.

The legislature also finds that laws allowing the subdivision of agricultural lands or creation of condominium property regimes on agricultural lands must be scrutinized. In Kauai alone, four hundred thirty-one agricultural parcels, representing seventeen thousand acres, have been divided under condominium property regimes since 1993. The legislature further finds that some land dedicated for the development of agriculture is being used for unauthorized purposes. Therefore, the intent of this Act is to close loopholes that have allowed developers to maneuver land use restrictions, rather than following proper channels to rezone, resulting in the
urbanization of agricultural lands. The legislature concludes that agricultural lands must be protected against fractionalization and large, contiguous agricultural tracts must be conserved.

The purpose of this Act is to prevent the loss of large-scale agricultural parcels and to ensure that future use of agricultural lands is for bona fide agricultural operations in any county where one-third or less of the county's land is classified in the state agricultural district.

SECTION 2. Section 514B-31, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) To create a condominium property regime, all of the owners of the fee simple interest in land shall execute and record a declaration submitting the land to the condominium property regime. Upon recordation of the master deed together with a declaration, the condominium property regime shall be deemed created[-], provided that in any county where one-third or less of the county's land is classified in the state agricultural district:
(1) No condominium property regime shall be created on any parcel of agricultural land consisting of twenty-five or more acres;

(2) No condominium property regime established as of the effective date of this Act on any parcel of agricultural land greater than twenty-five acres shall be later amended to allow for a single-family dwelling; and

(3) No parcel of agricultural land consisting of twenty-five or more acres shall be subdivided for the purpose of creating a condominium property regime;

provided further that paragraphs (1), (2), and (3) shall not apply to any agricultural park or non-agricultural park lands project under chapter 166 or 166E."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on December 31, 2050.
Report Title:
Condominium Property Regime; Agricultural Land

Description:
In any county where one-third or less of the county's land is classified in the state agricultural district, prohibits: the creation of a condominium property regime on agricultural land twenty-five acres or greater; an existing condominium property regime on agricultural land greater than twenty-five acres from being amended to allow a single-family dwelling; and the subdivision of agricultural land twenty-five acres or greater for the purpose of creating a condominium property regime. Exempts agricultural park and non-agricultural park lands projects under chapter 166 or 166E, Hawaii Revised Statutes, from the condominium property regime prohibitions. Takes effect 12/31/2050. (SD1)

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