A BILL FOR AN ACT

RELATING TO VEGETABLE OIL ENERGY.

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

1   SECTION 1. (a) The department of business, economic

2 development, and tourism shall conduct a feasibility study on

3 the viability of an integrated, multi-crop production system for

4 palm-based vegetable oil for producing raw vegetable oil that

5 can be refined into biofuel. In conducting the feasibility

6 study, the department of business, economic development, and

7 tourism shall consult with the department of agriculture.

8   (b) The feasibility study shall include an analysis of the

9 following:

10   (1) Potential land sites for the development of palm-based

11   vegetable oil extraction mills, germination centers,

12   shade houses, and greenhouses on the islands of Hawaii

13   and Maui; and

14   (2) Cost projections to:

15   (A) Order a sufficient supply of phytosanitized oil

16   seeds approved by the United States Department of

17   Agriculture from sources in Australia, Costa

1   Rica, or Indonesia to germinate, plant, and raise

2   eight thousand acres of American/African oil palm

3   hybrids;

4   (B)   Provide aid to farmers on the islands of Hawaii

5   and Maui in preparing their land for planting

6   American/African oil palm hybrids; and

7   (C)   The practicability of increasing the state

8   environmental response, energy, and food security

9   tax on each barrel or fractional part of a barrel

10   of petroleum product sold by a distributor to any

11   retail dealer or end user of petroleum product,

12   other than a refiner to fund the development of

13   palm-based vegetable oil.

14   (c)   The department of business, economic development, and

15 tourism shall submit to the legislature a report of its findings

16 and recommendations, including any proposed legislation, no

17 later than twenty days prior to the convening of the regular

18 session of 2020. The report shall, at a minimum, include

19 findings and recommendations on:

1   (1) Specific land sites on the islands of Hawaii and Maui

2   where palm-based vegetable oil cultivation and

3   production might be employed;

4   (2) Cost and practicability of palm-based vegetable oil as

5   a raw material for biofuel; and

6   (3) The practicability of increasing the state

7   environmental response, energy, and food security tax

8   on each barrel or fractional part of a barrel of

9   petroleum product sold by a distributor to any retail

10   dealer or end user of petroleum product, other than a

11   refiner to fund the development of palm-based

12   vegetable oil.

13   SECTION 2. There is appropriated out of the general

14 revenues of the State of Hawaii the sum of $ or so much

15 thereof as may be necessary for fiscal year 2019-2020 for the

16 department of business, economic development, and tourism to

17 conduct a feasibility study, in consultation with the department

18 of agriculture, on the viability of an integrated, multi-crop

19 production system for palm-based vegetable oil for producing raw

20 vegetable oil that can be refined into biofuel.

S.B. NO. 444

1   The sum appropriated shall be expended by the department of

2   business, economic development, and tourism for the purposes of

3   this Act.

4   SECTION 3.   This Act shall take effect on July 1, 2019.

5

INTRODUCED BY: _____

Report Title:
Palm-based Vegetable Oil; Feasibility Study; Appropriation

Description:
Requires the department of business, economic development, and tourism to conduct a feasibility study in consultation with the department of agriculture on the viability of an integrated, multi-crop production system for palm-based vegetable oil for producing raw vegetable oil that can be refined into biofuel, and to submit a report to the legislature. Appropriates funds.

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