

JAN 21 2022

A BILL FOR AN ACT

RELATING TO BIOFUELS.

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

1 SECTION 1. The legislature finds that sustainable
2 agriculture, food security, and energy security are critical
3 priorities for the State. The coronavirus disease 2019
4 (COVID-19) pandemic highlighted the need to diversify Hawaii's
5 economy and focus on local food and energy production. The
6 legislature also recognizes the global need to reduce petroleum
7 dependence and greenhouse gas emissions, including the emissions
8 produced by diesel engines.

9 The legislature also finds that biodiesel, made from
10 plant-based oils and animal fats, offers a safe and sustainable
11 alternative to petroleum-based fuels. Many crops can be used
12 for biodiesel production, including pongamia trees, sunflowers,
13 and safflower. Byproducts from biodiesel production can be used
14 as livestock feed and in the food, pharmaceutical, and cosmetic
15 industries. One biodiesel refinery is expected to create more
16 than \$25,000,000 in revenue, \$1,000,000 in general excise tax
17 revenue, and hundreds of jobs for the State's residents. The



1 industry's growth will also provide additional opportunities for
2 agricultural research, further diversifying the State's economy
3 and helping to grow the agricultural sector.

4 The legislature recognizes that the growth of crops for
5 biodiesel fuels will benefit the State by creating jobs,
6 reducing food and fuel imports, diversifying Hawaii's economy,
7 and helping to reaching the State's mandate of one hundred per
8 cent renewable energy by 2045.

9 Accordingly, the purpose of this Act is to establish and
10 provide moneys for a two-year pilot project to grow biodiesel
11 crops on the island of Molokai.

12 SECTION 2. (a) The department of agriculture shall
13 establish a two-year pilot project on the island of Molokai to
14 grow crops for the production of biodiesel fuels.

15 (b) Crops grown shall include:

16 (1) Pongamia trees;

17 (2) Sunflowers;

18 (3) Safflower; and/or

19 (4) Any other crops the department of agriculture deems
20 useful for biodiesel production.



1 (c) No later than December 31, 2023, the department of
2 agriculture shall assess the pilot project's effectiveness and,
3 if the department recommends extending the project, shall
4 identify additional sources of funding, including any available
5 federal funding and private investments.

6 (d) The department of agriculture shall submit a report of
7 its findings and recommendations, including any proposed
8 legislation and proposed funding sources, to the legislature no
9 later than twenty days prior to the convening of the regular
10 session of 2024.

11 SECTION 3. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$1,500,000 or so much
13 thereof as may be necessary for fiscal year 2022-2023 to
14 establish and implement a two-year biodiesel crop pilot project
15 on the island of Molokai.

16 The sums appropriated shall be expended by the department
17 of agriculture for the purposes of this Act; provided that the
18 moneys appropriated by this Act shall not lapse at the end of
19 the 2022-2023 fiscal year; provided further that any moneys that
20 remain unencumbered on June 30, 2024, shall lapse on that date.



1 SECTION 4. This Act shall take effect on July 1, 2022.

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INTRODUCED BY:

INTRODUCED BY: Lyn DeCote



S.B. NO. 2622

Report Title:

Department of Agriculture; Biodiesel; Biofuels; Sustainable Agriculture; Pilot Project; Report; Appropriation

Description:

Establishes and appropriates moneys for a 2-year pilot project to grow biodiesel crops on the island of Molokai. Requires a report to the Legislature.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

