HOUSE OF REPRESENTATIVES THIRTY-SECOND LEGISLATURE, 2024 STATE OF HAWAII

H.B. NO. 2291

A BILL FOR AN ACT

RELATING TO SUSTAINABLE AVIATION FUEL.

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

1	SECT	ION 1. The legislature finds that the Hawaii aviation	
2	and climate action summit held in December 2019 issued the		
3	following	findings:	
4	(1)	Nearly one-third of the energy consumed in the State	
5		is for jet fuel, a higher proportion of energy	
6		consumption than for any other energy sector;	
7	(2)	More than one-third of the flights are to and from	
8		international destinations;	
9	(3)	International flights to and from Hawaii will start to	
10		come under the mandate established by the	
11		International Civil Aviation Organization's Carbon	
12		Offset and Reduction Scheme for International Aviation	
13		to reduce aviation greenhouse gas emission to fifty	
14		per cent below 2005 levels by 2050;	
15	(4)	Transportation is the single largest producer of	
16		greenhouse gas emissions in Hawaii;	

2024-0714 HB HMSO-1

H.B. NO. 2291

1 (5) Renewable fuels must be part of a balanced portfolio 2 and state action plan to effect certified greenhouse 3 gas reduction in the near term, in addition to carbon 4 offsets; (6) 5 Sustainable aviation fuels have been demonstrated at 6 commercial scale in the continental United States and 7 can be manufactured in six different American Society 8 for Testing Manuals approved and Federal Aviation 9 Administration certified ways, including from 10 agricultural, animal, municipal, and construction 11 wastes as well as purpose-grown crops and forest 12 materials; The International Civil Aviation Organization's Carbon 13 (7)14 Offset and Reduction Scheme for International Aviation 15 mandate is a significant requirement on airlines 16 serving Hawaii, for which the State should establish a 17 task force and "flight plan" to map out public and private actions to cost-effectively reduce greenhouse 18 19 gas emissions; 20 (8) The International Civil Aviation Organization's Carbon

Offset and Reduction Scheme for International

2024-0714 HB HMSO-1

21

Page 2

H.B. NO. 2291

1 Aviation, United States' federal Renewable Fuel Standard, California's low-carbon fuel standard, and 2 3 Oregon's clean fuels program are all market-based 4 measures to quantify, incentivize, and monetize 5 industry action to reduce greenhouse gas emissions by 6 the transportation sector. These measures are also 7 flexible and effective ways to quantify and monetize 8 the benefits of renewable fuels, carbon offsets, 9 hydrogen and fuel cells, and transportation 10 electrification based upon lifecycle greenhouse gas 11 emissions performance; and 12 (9) Market-based policy measures more directly stimulate 13 innovation, economic growth, and meaningful behavioral 14 change than the state-level policies Hawaii has in place today, such as, the barrel tax, carbon tax, 15 16 environmental permitting statements, environmental

17 impact statements, and incentives which require annual
18 appropriation. The federal Renewable Fuel Standard,
19 which Hawaii opted in to, has directly led to a
20 reduction of greenhouse gas in the ground
21 transportation sector by thousands of barrels per day.

2024-0714 HB HMSO-1

H.B. NO. 2291

1 California's low-carbon fuel standard has reduced 2 greenhouse gas emissions in California by over fifty 3 million metric tons through just the second quarter of 4 2019. Seventy-five per cent of venture capital 5 investment in clean transportation in the United 6 States has been directed to California. The low-7 carbon fuel standard has helped investors to justify 8 \$100,000,000 and \$300,000,000 investments to build new 9 renewable fuel production plants. Low-carbon fuel standard-stimulated economic development already 10 11 includes over three hundred companies and twenty 12 thousand workers and has decreased greenhouse gas 13 emissions per gross domestic product by forty per 14 cent.

15 The legislature further finds that the European Union 16 recently created benchmarks requiring two per cent of jet fuel 17 to be sustainable as of 2025, and seventy per cent by 2050.

18 The legislature additionally finds that the development of 19 sustainable aviation fuel capability in Hawaii demonstrates the 20 State's continued leadership in global greenhouse gas emission 21 reduction actions, and the potential to reduce dependence on

2024-0714 HB HMSO-1

H.B. NO. 229/

1	foreign sources of fossil fuels, promote economic development,				
2	and overall improvement of environmental sustainability in				
3	Hawaii.				
4	The purpose of this Act is to establish a Hawaii				
5	sustainable aviation fuel program within the state energy office				
6	to oversee the transition to sustainable aviation fuel at state				
7	airports.				
8	SECTION 2. Chapter 196, Hawaii Revised Statutes, is				
9	amended by adding a new section to be appropriately designated				
10	and to read as follows:				
11	" <u>§196-</u> <u>Hawaii sustainable aviation fuel program.</u> (a)				
12	There is established within the state energy office a Hawaii				
13	sustainable aviation fuel program to oversee the transition to				
14	sustainable aviation fuels at state airports.				
15	(b) The program shall work with the department of				
16	transportation and fuel suppliers in the State to establish a				
17	sustainable fuel portfolio standard that requires a certain per				
18	cent of aviation fuels used at each airport in the state to				
19	consist of sustainable aviation fuels as follows:				
20	(1) From January 1, 2025, each year a minimum share of				
21	four per cent of sustainable aviation fuels;				



H.B. NO. 2291

1	(2)	From January 1, 2030, each year a minimum share of
2		twelve per cent of sustainable aviation fuels;
3	(3)	From January 1, 2035, each year a minimum share of
4		forty per cent of sustainable aviation fuels;
5	(4)	From January 1, 2040, each year a minimum share of
6		sixty-eight per cent of sustainable aviation fuels;
7	(5)	From January 1, 2045, each year a minimum share of
8		eighty-four per cent of sustainable aviation fuels;
9		and
10	(6)	From January 1, 2050, each year a minimum share of one
11		hundred per cent of sustainable aviation fuels.
12	(c)	The state energy office shall submit a report to the
13	legislatu	re no later than twenty days prior to the convening of
14	each regu	lar session on the status and progress of the Hawaii
15	sustainab	le aviation fuel program.
16	(d)	For the purposes of this section:
17	"Sus	tainable aviation fuels" means synthetic fuels, certain
18	biofuels j	produced from agriculture or forestry residues, algae,
19	biowaste,	used cooking oil, certain animal fats, or recycled jet
20	fuels from	n waste gases and waste plastic. "Sustainable aviation
21	fuels" excludes waste oils from palm and soy materials."	

2024-0714 HB HMSO-1

H.B. NO. 229/

1 SECTION 3. New statutory material is underscored. 2 SECTION 4. This Act shall take effect upon its approval. 3

INTRODUCED BY:



JAN 2 2 2024



H.B. NO. 2291

Report Title:

Hawaii State Energy Office; Sustainable Aviation Fuel; Greenhouse Gas Emissions

Description:

Establishes the Hawaii sustainable aviation fuel program within the State Energy Office to work with the Department of Transportation and fuel suppliers in order to establish a sustainable fuel portfolio standard for the use of sustainable aviation fuels.

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