
A BILL FOR AN ACT

RELATING TO SUSTAINABLE AVIATION FUEL.

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

1 SECTION 1. The legislature finds that aviation accounts
2 for the majority of the State's carbon pollution. As an island
3 state dependent on air travel for connectivity, Hawaii must take
4 steps to reduce aviation-related emissions to meet the State's
5 commitment to achieving a net-negative carbon economy by 2045.
6 Sustainable aviation fuel offers a viable pathway to reduce the
7 environmental impact of air travel while supporting innovation
8 and economic development in Hawaii's clean energy sector.
9 Furthermore, local agricultural, entrepreneurs, and refinery
10 interests have made significant investments in research,
11 facilities, and infrastructure to develop locally produced
12 sustainable aviation fuel.

13 The purpose of this Act is to establish requirements for
14 the use of sustainable aviation fuel in all intrastate flights
15 to advance Hawaii's climate goals, enhance energy security, and
16 position Hawaii as a leader in the adoption of sustainable
17 aviation practices.



1 SECTION 2. Chapter 261E, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§261E- Sustainable aviation fuel; requirements;
5 intrastate flights. (a) Beginning January 1, 2030, any
6 commercial airline operating intrastate airline flights in the
7 State shall utilize at least ten per cent of sustainable
8 aviation fuel in their intrastate airline flights operated in
9 the State.

10 (b) The requirement of subsection (a) shall increase
11 annually on January 1 of every year by five percentage point
12 until January 1, 2045, at which time one hundred per cent of
13 sustainable aviation fuel shall be required for airlines
14 operating intrastate airline flights within the State.

15 (c) The department of transportation shall collaborate
16 with relevant federal agencies, airlines, fuel producers, and
17 stakeholders to:

- 18 (1) Support the development and deployment of sustainable
19 aviation fuel production facilities within the State;
20 (2) Identify funding opportunities to subsidize
21 sustainable aviation fuel production and usage; and



1 (3) Advocate for federal programs or policies that advance
2 sustainable aviation fuel adoption.

3 (d) Nothing in this section shall preclude airlines from
4 qualifying for tax incentives or grants under state programs
5 promoting clean energy and greenhouse gas reductions.

6 (e) The department of transportation shall adopt rules
7 pursuant to chapter 91 to implement this section; provided that
8 the rules include:

9 (1) Procedures for monitoring and reporting fuel usage and
10 sustainable aviation fuel compliance;

11 (2) Certification processes for sustainable aviation fuel;

12 (3) Penalties for noncompliance; and

13 (4) Incentives to promote the development and use of
14 sustainable aviation fuels in the State.

15 (f) The department of transportation shall submit an
16 annual report to the legislature, no later than twenty days
17 prior to the convening of each regular session, on the progress
18 of sustainable aviation fuel adoption, compliance rates,
19 economic impacts, and recommendations for further legislative
20 action.



1 (g) For the purposes of this section, "sustainable
 2 aviation fuel" means ASTM International D7566-compliant
 3 renewable aviation turbine fuel derived from biofuels, as
 4 defined in section 269-91, and with a greenhouse gas lifecycle
 5 carbon intensity lower than the baseline for jet fuel defined by
 6 the International Civil Aviation Organization."

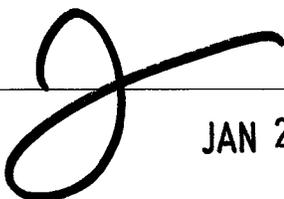
7 SECTION 3. There is appropriated out of the general
 8 revenues of the State of Hawaii the sum of \$5,000,000 or so much
 9 thereof as may be necessary for fiscal year 2025-2026 and the
 10 same sum or so much thereof as may be necessary for fiscal year
 11 2026-2027 to support the development of sustainable aviation
 12 fuel production and provide incentives for compliance with the
 13 requirements of this Act.

14 The sums appropriated shall be expended by the department
 15 of transportation for the purposes of this Act.

16 SECTION 4. New statutory material is underscored.

17 SECTION 5. This Act shall take effect on July 1, 2025.

18

INTRODUCED BY:  _____

JAN 23 2025

H.B. NO. 1459

Report Title:

DOT; Sustainable Aviation Fuel; Airlines; Intrastate Travel; Appropriation

Description:

Sets standards for sustainable aviation fuel adoption for intrastate travel airlines by certain times. Appropriates funds.

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