
A BILL FOR AN ACT

RELATING TO BIODIESEL.

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

1 SECTION 1. The legislature finds that Hawaii's heavy
2 dependence on imported petroleum threatens the State's energy
3 security, economic stability, and national security interests in
4 the Pacific region. Locally produced biodiesel provides an
5 immediately deployable, renewable, energy-dense fuel that
6 reduces reliance on foreign crude oil and increases the State's
7 resilience against global supply disruptions, both of which have
8 strategic local community and military importance. Biodiesel
9 production can expand using locally sourced feedstocks from
10 agriculture and recycled materials, strengthening the State's
11 circular economy and supporting high-quality local jobs,
12 regenerative farming, and food-security co-products.

13 The legislature further finds that biodiesel is essential
14 to Hawaii's clean energy and transportation goals. Biodiesel is
15 safe, biodegradable, and compatible with existing diesel engines
16 and infrastructure without equipment modifications. It provides
17 firm, dispatchable renewable energy to support the electric grid



1 when solar and wind resources are unavailable and offers
2 significant greenhouse gas reductions for expensive and hard-to-
3 electrify vehicles such as trucks, buses, and marine vessels.
4 Replacing even five per cent of the State's transportation
5 diesel with biodiesel would prevent significant carbon emissions
6 while keeping fuel dollars circulating within the State's
7 economy. In addition, this change would impact fuel cost by
8 fewer than 3 cents per retail gallon, which falls within the
9 typical weekly fluctuations of diesel fuel prices.

10 The legislature additionally finds that a minimum biodiesel
11 fuel requirement would help reduce fossil diesel usage, support
12 biodiesel production and agricultural feedstocks, and help
13 biodiesel become a critical component of the State's energy
14 portfolio.

15 Accordingly, the purpose of this Act is to require the
16 director of business, economic development, and tourism to adopt
17 rules to require that diesel fuel sold in the State for use in
18 on-highway diesel-powered motor vehicles contains no less than
19 five per cent biodiesel by volume.

20 SECTION 2. As used in this Act, "biodiesel" means liquid
21 fuel produced from organic sources such as biomass crops;

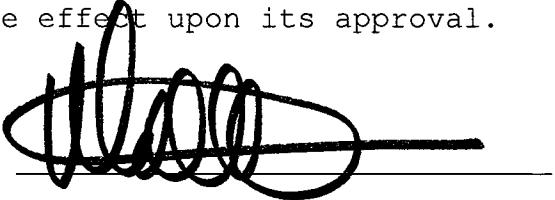


1 agricultural residues; oil crops including sunflower oil, canola
2 oil, and soybean oil; food wastes such as cooking oil or grease;
3 animal residues and wastes; and sewage and landfill wastes that
4 comply with ASTM International standard D6751.

5 SECTION 3. No later than , the director of
6 business, economic development, and tourism shall adopt rules in
7 accordance with chapter 91, Hawaii Revised Statutes, to require
8 that diesel fuel sold in the State for use in on-highway diesel-
9 powered motor vehicles contains no less than five per cent
10 biodiesel by volume. The amounts of diesel fuel sold in the
11 State containing no less than five per cent biodiesel shall be
12 in accordance with rules as the director of business, economic
13 development, and tourism deems appropriate.

14 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: 

JAN 27 2026



H.B. NO. 2423

Report Title:

Biodiesel; Minimum Fuel Requirement; Diesel-powered Motor Vehicles; DBEDT

Description:

Requires the Director of Business, Economic Development, and Tourism to adopt rules to require that diesel fuel sold in the State for use in on-highway diesel-powered motor vehicles contains no less than five per cent biodiesel by volume.

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