
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, 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
17 implement a requirement that diesel fuel sold in the State for
18 use in on-highway diesel-powered motor vehicles contains no less
19 than 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. (a) The director of business, economic
6 development, and tourism shall adopt rules in accordance with
7 chapter 91, Hawaii Revised Statutes, to require that, no later
8 than January 1, 2028, diesel fuel sold in the State for use in
9 on-highway diesel-powered motor vehicles contains no less than
10 five per cent biodiesel by volume.

11 (b) The amounts of diesel fuel sold in the State
12 containing no less than five per cent biodiesel shall be in
13 accordance with rules as the director of business, economic
14 development, and tourism deems appropriate.

15 (c) The director of business, economic development, and
16 tourism shall:

17 (1) Consult with the department of transportation during
18 the development and implementation of the requirements
19 of this section to ensure operational coordination;
20 and



1 (2) Present a comprehensive rollout plan to the public no
2 later than one hundred twenty days prior to the
3 implementation of the requirements of this section;
4 provided that the rollout plan shall address timeline,
5 fiscal, administrative structure, and coordination
6 mechanism concerns and any necessary statutory or
7 regulatory adjustments.

8 SECTION 4. This Act shall take effect on July 1, 3000.



Report Title:

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

Description:

Requires the Director of Business, Economic Development, and Tourism to implement a requirement that, no later than January 1, 2028, 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. Requires the Director to consult with the Department of Transportation and present a comprehensive rollout plan to the public. Effective 7/1/3000. (HD1)

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