

Honolulu, Hawaii  
, 2026

**FEB 09**

RE: H.B. No. 2423  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Transportation, to which was referred H.B. No. 2423 entitled:

"A BILL FOR AN ACT RELATING TO BIODIESEL,"

begs leave to report as follows:

The purpose of this measure is to require 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 percent biodiesel by volume.

Your Committee received testimony in support of this measure from Pacific Biodiesel Technologies and Hawaii Transportation Association. Your Committee received comments on this measure from the Hawaii State Energy Office and Hawai'i Farm Bureau.

Your Committee finds that Hawaii's continued dependence on imported diesel fuel leaves the State vulnerable to supply disruptions, high energy costs, and external economic and security pressures. Your Committee further finds that biodiesel offers a practical and immediately available renewable alternative that works within existing diesel engines and infrastructure while reducing greenhouse gas emissions from transportation sectors that are difficult and costly to electrify. Expanding the use of biodiesel also supports local feedstock production, recycling, and



job creation, while keeping fuel dollars circulating within the State with only minimal impacts on retail fuel prices. This measure advances these objectives by requiring a minimum biodiesel content requirement for on-highway diesel fuel, strengthening energy resilience and diversifying Hawaii's energy portfolio.

Your Committee has amended this measure by:

- (1) Clarifying that the Director of Business, Economic Development, and Tourism shall implement the diesel fuel requirement no later than January 1, 2028;
- (2) Requiring the Director of Business, Economic Development, and Tourism to:
  - (A) Consult with the Department of Transportation during the development and implementation of the diesel fuel requirement; and
  - (B) Present a comprehensive rollout plan to the public to address certain concerns;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2423, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2423, H.D. 1, and be referred to your Committee on Economic Development & Technology.



Respectfully submitted on  
behalf of the members of the  
Committee on Transportation,

A handwritten signature in black ink, appearing to read 'Darius Kila', written over a horizontal line.

DARIUS KILA, Chair



