

Honolulu, Hawaii

FEB 18, 2026

RE: H.B. No. 2423
H.D. 2

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

Madame:

Your Committee on Economic Development & Technology, to which was referred H.B. No. 2423, H.D. 1, 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:

- (1) 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 shall contain no less than five percent biodiesel by volume; and
- (2) Consult with the Department of Transportation and present a comprehensive rollout plan to the public.

Your Committee received testimony in support of this measure from the Hawaii Transportation Association and Pacific Biodiesel Technologies. Your Committee received comments on this measure from the Hawai'i Automobile Dealers Association.

Your Committee finds that the State's continued reliance on imported petroleum poses risks to energy security and economic resilience. Biodiesel offers an immediately deployable, renewable alternative that can reduce greenhouse gas emissions, support



local agriculture, and strengthen the States economy. Your Committee further finds that replacing five percent of the State's transportation diesel with biodiesel would have major environmental benefits, while impacting the cost of fuel by fewer than 3 cents per retail gallon. This measure will help advance Hawaii's clean energy goals by requiring a minimum biodiesel blend in on-highway diesel fuel.

Your Committee has amended this measure by:

- (1) Requiring the Department of Business, Economic Development, and Tourism to submit a report to the Legislature, including a comprehensive rollout plan;
- (2) Changing its effective date to July 1, 3000, to encourage further discussion; and
- (3) 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 Economic Development & Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2423, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Consumer Protection & Commerce in the form attached hereto as H.B. No. 2423, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Technology,


GREGGOR ILAGAN, Chair



