



February 10, 2026

Hawai'i State Legislature
House Committee on Economic Development and Technology

Re: Comments on HB 2423, Relating to Biodiesel

Aloha Chair Ilagan, Vice Chair Hussey, and members of the committee,

On behalf of the Hawai'i Automobile Dealers Association (HADA), we offer comments on HB 2423, Relating to Biodiesel. This bill will

While we recognize that this measure is intended to decrease dependence on fossil fuels and further Hawai'i's clean energy and climate objectives, including the State's commitment to lowering greenhouse gas emissions and reducing petroleum use in the transportation sector, the Hawai'i Automobile Dealers Association believes it is important to carefully consider the practical implications of implementation.

In particular, attention should be given to the anticipated costs to businesses and consumers, the reliability and availability of vehicle supply, and the infrastructure and logistical capacity necessary to successfully carry out these policy goals. Reliance on imported feedstock would make Hawai'i vulnerable to global feedstock price volatility, supply disruptions, and increased transportation costs. We have consistently noted our concerns when measure such as this one could limit the availability of vehicles that can be sold in our state.

Thank you for the opportunity to provide comments on this measure.

The Hawai'i Automobile Dealers Association is the voice of 71 new car dealerships across the islands, accounting for over 4,000 direct jobs, \$6 billion total sales and more than \$250 million in general excise taxes paid.



**TESTIMONY OF TINA YAMAKI, MANAGING DIRECTOR
HAWAII TRANSPORTATION ASSOCIATION
FEBRUARY 13, 2026
HB 2423 HD1 RELATING TO BIODIESEL**

Aloha Chair Iligan and members of the House Committee on Economic Development & Technology. I am Tina Yamaki, Managing Director of the Hawaii Transportation Association and I appreciate this opportunity to testify.

The Hawaii Transportation Association (HTA Hawaii) was founded in 1938 and incorporated in 1963, and is a private, non-profit trade organization dedicated to the service and assistance to the commercial ground transportation industry in the State of Hawaii. Our members include family owned small and medium sized businesses, independent owner operators, and national motor carriers range from delivery services to passenger carriers - as well as allied industry partners.

HTA Hawaii supports the intent of HB 2423 HD1. This measure 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; and is effective 7/1/3000.

HTA Hawaii recognizes the importance of advancing more sustainable energy practices within our State's transportation sector. Biodiesel blends have demonstrated potential to reduce greenhouse gas emissions, support cleaner air quality, and align with Hawai'i's broader climate and environmental goals.

However, HTA Hawaii also believes businesses should have flexibility and choice in how they meet evolving fuel and energy requirements. We also recommend that there also be an option to also provide diesel with zero blends (pure diesel) as an alternative to the 5% for all transportation companies.

While we support the underlying environmental purpose of this measure, we respectfully offer the following concerns:

HTA Hawaii supports the intent of establishing a 5% biodiesel requirement as a step toward sustainability. At this time, we do NOT support mandating biodiesel blends above 5% statewide, as higher blends may have technical and economic implications for certain vehicle fleets and fuel infrastructure.

High blends of biodiesel are associated with elevated mechanical risk, especially in older diesel engines, that include accelerated fuel filter plugging due to solvent effects and deposit release, increased injector wear or failure, and degradation of elastomers and seals within the fuel system.

The potential cost implications of biodiesel mandates above 5% are currently unknown. Without clear cost data and market analysis, it is difficult to fully assess how additional requirements might affect fuel pricing.

If biodiesel blends increase the cost of diesel fuel, those costs are likely to be passed through to consumers and businesses. Higher transportation fuel costs can contribute to inflationary pressure on essential goods and services, including groceries, clothing, building materials, and visitor transportation services — sectors that directly impact both residents and the visitor economy.

For these reasons, HTA Hawaii urges the Committee to ensure that any rulemaking or future increases consider business impacts, fuel market dynamics, and necessary safeguards to prevent undue economic burden.

Mahalo for this opportunity to testify.



2050 Main Street, Suite 3B
Wailuku, Hawai'i 96793
(808) 877-3144
www.biodiesel.com

February 12, 2026

TESTIMONY ON HB 2423 HD1, RELATING TO BIODIESEL

SUPPORT

Representative Greggor Ilagan, Chair
Representative Ikaika Hussey, Vice Chair
Committee on Economic Development & Technology
Hearing: Feb. 13, 2026, 8:30am, Conf Room 423 and via Videoconference

Aloha Chair Ilagan, Vice Chair Hussey and Members of the Committee,

Pacific Biodiesel **strongly supports HB 2423 HD1**, which establishes a 5% biodiesel blending requirement for all highway diesel fuel sold in Hawai'i - - known as "B5". B5 will provide a market for approximately 2.2 million gallons of locally produced biodiesel each year. We have this additional capacity at our Hawaii biodiesel facility today. The only amendment we have is to change the implementation date from no later than 1/1/28 to no later than 1/1/27.

Biodiesel is an energy-dense renewable fuel source that promotes energy security in Hawai'i, supports USA national security and benefits the local circular economy. Biodiesel has one of lowest carbon footprints of any fuel, reducing greenhouse gas emissions by 86% compared to fossil diesel.

Pacific Biodiesel produces our biodegradable, non-toxic fuel with used cooking oil recycled from Hawai'i's restaurants, keeping that potentially hazardous waste out of local landfills. With our carbon negative regenerative farming operation, we also locally produce biodiesel from virgin oils, like sunflower oil and canola oil. Our model also contributes culinary oils and high-protein meal for livestock feed to the local food system. Pacific Biodiesel's "ag and energy" model today is demonstrating a "net carbon negative" renewable fuel system that's a beneficial circular economy model for Hawaii.

B5 will support continued expansion of biodiesel production for our state – urgent now more than ever.

Pacific Biodiesel is acutely aware of the important role our biodiesel production plays in supporting military readiness and energy resilience in our state. Given Hawai'i's strategic location, our biodiesel ensures a reliable, readily available local supply of biofuel at key Department of Defense locations in Hawai'i and the Indo-Pacific region to help protect United States national security and military preparedness and further reduce reliance on imported crude oil, especially from dangerous sources like Russia-backed Libya.

Current biodiesel production in Hawai'i is 6 million gallons annually. Biodiesel produced from Hawai'i-sourced feedstock can feasibly scale to 16 million gallons annually by 2040 – *this total vertical integration to locally grow and produce biodiesel epitomizes energy security!*

B5 is a proven, low-risk approach to achieve immediate reduction in greenhouse gas emissions.

- B5 is 5% biodiesel blended with 95% petroleum diesel.
- B5 is a minimal blend (considered a benign fuel additive).
- B5 is universally accepted by ALL vehicle manufacturers for use in any diesel engine (no warranty or maintenance issues).
- B5 is quickly deployable:
 - It can be used in Hawai'i's existing liquid fuel infrastructure now.
 - Hawai'i currently has in-state production capacity to provide B5 now.
 - A high-volume fuel blending rack is online at the in-state diesel refinery.
 - It requires no special labeling at the pump.

Several states have a successful track record with B5 and other high biodiesel blends. For example, Minnesota is the first and longest-running biodiesel mandate in the nation (continuous since 2005). It uses a seasonal minimum biodiesel blending strategy – currently B5 in winter, B10 early spring and B20 in summer. And in California, 100% Renewable Biofuel is the on-road standard: Biodiesel + Renewable Diesel (B20/R80) now comprises nearly 75% of California's diesel fuel supply.

As Hawai'i embraces electric vehicles, it is important to recognize that a large portion of our transportation infrastructure will remain dependent on traditional fossil fuel, leading to an electrification gap. Biodiesel can help to fill that gap and bring immediate greenhouse gas emission reductions for the hard-to-electrify sectors – like large trucks, buses, and boats where new electric vehicle technology is extremely expensive, not widely available and lacks the same payload as diesel engines.

In, Hawai'i, B5 may add only pennies to the price of local fuel, similar to the typical fluctuations in diesel fuel prices. But it will quickly translate to significant positive environmental impact. For example:

- In 2024, 44 million gallons of fossil diesel highway fuel was used statewide.
- Of that amount, B5 would equate to 2.2 million gallons of biodiesel.
- 2.2 million gallons of biodiesel prevents 46.2 MILLION LBS of CO₂/year or 20,952 metric tons of CO₂.

We cannot and should not sit back and wait for a 100% zero emission future.

The further we move towards our goal of 100% renewable, the more critical liquid biofuel sources will become. We must expand the use of biofuels today and support additional local production now to meet the needs later. B5 for our highway fuel is a significant step to get that zero emission target started now.

Mahalo,



Bob King
Founder and President
Pacific Biodiesel