
A BILL FOR AN ACT

RELATING TO THE HAWAII PUBLIC PROCUREMENT CODE.

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

1 SECTION 1. Chapter 103D, Hawaii Revised Statutes, is
2 amended by adding to part X a new section to be appropriately
3 designed and to read as follows:

4 "§103D- Preference for recycled oil products. (a)

5 Notwithstanding any law to the contrary, any procurement officer
6 who purchases lubricating oil and industrial oil may purchase
7 the oil from the seller who certifies the oil product containing
8 the greatest percentage of recycled oil. The procurement
9 officer may purchase an oil product containing a lower
10 percentage of recycled oil if the specific oil product
11 containing the greatest percentage of recycled oil is:

12 (1) Not available within a reasonable period of time or in
13 quantities necessary to meet the agency's needs;

14 (2) Not able to meet the performance requirements or
15 standards recommended by the equipment or vehicle
16 manufacturer, including any warranty requirements;

17 (3) Available only at a cost greater than the cost of
18 comparable virgin oil products; or



1 (4) Likely to breach an existing warranty that requires
2 the purchase of virgin oil products for exclusive use
3 in vehicles or equipment whose warranties expressly
4 prohibit the use of products containing recycled oil.

5 (b) Each chief procurement officer may establish and
6 maintain an affirmative program for procuring oils containing
7 the maximum content of recycled oil. An affirmative program
8 shall include:

9 (1) Placement of descriptions of the preference for
10 recycled oil products in publications used to solicit
11 bids from suppliers or vendors;

12 (2) Descriptions of the recycled oil procurement program
13 at bidders' conferences;

14 (3) Discussion of the preference program in lubricating
15 oil and industrial oil procurement solicitations,
16 invitations for bids, requests for proposals, or other
17 solicitations for offers under this chapter; and

18 (4) Efforts to inform trade associations about the
19 preference program."

20 SECTION 2. Section 103D-1001, Hawaii Revised Statutes, is
21 amended by adding seven new definitions to be appropriately
22 inserted and to read as follows:



1 "Biodiesel" means a vegetable oil-based fuel that meets
2 ASTM International standard D6751, "Standard Specification for
3 Biodiesel Fuel (B100) Blend Stock for Distillate Fuels", as
4 amended.

5 "Biofuel" means fuel from non-petroleum plant or animal
6 based sources that can be used for the generation of heat or
7 power.

8 "Industrial oil" means any compressor, turbine, or bearing
9 oil, hydraulic oil, metal working oil, or refrigeration oil.

10 "Lubricating oil" means any oil intended for use in an
11 internal combustion crankcase, transmission, gearbox, or
12 differential, or an automobile, bus, truck, vessel, plane,
13 train, heavy equipment, or machinery powered by an internal
14 combustion engine.

15 "Recycled oil" means used oil that has been prepared for
16 reuse as a petroleum product by refining, reclaiming,
17 reprocessing, or other means; provided that the preparation or
18 use is operationally safe, environmentally sound, and complies
19 with all laws, rules, and regulations.

20 "Soil enhancement product" means any nonchemical soil
21 preparation, conditioner, or compost mixture designed to
22 supplement aeration or add organic, green waste, or decaying



1 matter to the soil; provided that the term does not include any
2 plant fertilizer intended to stimulate or induce plant growth
3 through chemical means.

4 "Virgin oil" means oil that has been refined from crude oil
5 and that has not been used or contaminated with impurities."

6 SECTION 3. Section 103D-1002, Hawaii Revised Statutes, is
7 amended by amending subsection (k) to read as follows:

8 "(k) [~~For the purposes of this section, "soil enhancement~~
9 ~~product" means any nonchemical soil preparation, conditioner, or~~
10 ~~compost mixture designed to supplement aeration or add organic,~~
11 ~~green waste, or decaying matter to the soil; provided that the~~
12 ~~term does not include any plant fertilizer intended to stimulate~~
13 ~~or induce plant growth through chemical means.] All state~~
14 agencies shall include in their solicitations, when required,
15 the soil enhancement products identified on the Hawaii products
16 list pursuant to subsection (e)."

17 SECTION 4. Section 103D-1012, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "[+] §103D-1012 [+] **Biofuel preference.** (a)

20 Notwithstanding any other law to the contrary, contracts for the
21 purchase of diesel fuel or boiler fuel shall be awarded to the



1 lowest responsible and responsive bidders, with preference given
2 to bids for biofuels or blends of biofuel and petroleum fuel.

3 (b) When purchasing fuel for use in diesel engines, the
4 preference shall be [~~five~~] 5 cents per gallon of one hundred per
5 cent biodiesel. For blends containing both biodiesel and
6 petroleum-based diesel, the preference shall be applied only to
7 the biodiesel portion of the blend.

8 (c) When purchasing fuel for use in boilers, the
9 preference shall be [~~five~~] 5 cents per gallon of one hundred per
10 cent biofuel. For blends containing both biofuel and petroleum-
11 based boiler fuel, the preference shall be applied only to the
12 biofuel portion of the blend.

13 [~~(d) As used in this section, "biodiesel" means a~~
14 ~~vegetable oil based fuel that meets ASTM International standard~~
15 ~~D6751, "Standard Specification for Biodiesel (B100) Fuel Blend~~
16 ~~Stock for Distillate Fuels", as amended.~~

17 [~~(e) As used in this section, "biofuel" means fuel from~~
18 ~~non-petroleum plant or animal based sources that can be used for~~
19 ~~the generation of heat or power.] "~~

20 SECTION 5. Chapter 103D, part XIII, Hawaii Revised
21 Statutes, is repealed.



1 SECTION 6. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 7. This Act shall take effect on January 1, 2011.



Report Title:

Procurement Code; Biofuel and Recycled Oil Product Preferences

Description:

Relocates the recycled oil product preference provisions within the procurement code and repeals part XIII where these provisions were previously located. Changes the preference for biofuel and lubricating and industrial oil with the highest percentage of recycled oil from mandatory to permissive.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

