## A BILL FOR AN ACT

RELATING TO BIOFUELS.

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

- 1 SECTION 1. The legislature finds that sustainable
- 2 agriculture, food security, and energy security are critical
- 3 priorities for the State. The coronavirus disease 2019
- 4 (COVID-19) pandemic highlighted the need to diversify Hawaii's
- 5 economy and focus on local food and energy production. The
- 6 legislature also recognizes the global need to reduce petroleum
- 7 dependence and greenhouse gas emissions, including emissions
- 8 produced by diesel engines.
- 9 The legislature also finds that biodiesel, made from
- 10 plant-based oils and animal fats, offers a safe and sustainable
- 11 alternative to petroleum-based fuels. Many crops can be used
- 12 for biodiesel production, including pongamia trees, sunflowers,
- 13 and safflower. Byproducts from biodiesel production can be used
- 14 as livestock feed and in the food, pharmaceutical, and cosmetic
- 15 industries. One biodiesel refinery is expected to create more
- 16 than \$25,000,000 in revenue, \$1,000,000 in general excise tax
- 17 revenue, and hundreds of jobs for the State's residents. The



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- 1 biodiesel industry's growth will also provide additional
- 2 opportunities for agricultural research, further diversifying
- 3 the State's economy and helping to grow the agricultural sector.
- 4 The legislature recognizes that the growth of crops for
- 5 biodiesel fuels will benefit the State by creating jobs,
- 6 reducing food and fuel imports, diversifying Hawaii's economy,
- 7 and helping to reaching the State's mandate of one hundred per
- 8 cent renewable energy by 2045.
- 9 Accordingly, the purpose of this Act is to establish and
- 10 appropriate funds for a two-year pilot project to grow crops for
- 11 the production of biodiesel fuels in the State.
- 12 SECTION 2. (a) The department of agriculture shall
- 13 establish a two-year pilot project to grow crops for the
- 14 production of biodiesel fuels in the State.
- 15 (b) The crops grown shall include:
- 16 (1) Pongamia trees;
- 17 (2) Sunflowers:
- 18 (3) Safflower; or
- 19 (4) Any other crops the department of agriculture deems
- 20 useful for biodiesel production.

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- 1 (c) The department of agriculture shall assess the pilot
- 2 project's effectiveness and, if the department recommends
- 3 extending the project, shall identify additional sources of
- 4 funding, including any available federal funding and private
- 5 investments.
- 6 (d) The department of agriculture shall submit a report of
- 7 its findings and recommendations, including any proposed
- 8 legislation and proposed funding sources, to the legislature no
- 9 later than twenty days prior to the convening of the regular
- 10 session of 2024.
- 11 SECTION 3. There is appropriated out of the general
- 12 revenues of the State of Hawaii the sum of \$ or so
- 13 much thereof as may be necessary for fiscal year 2022-2023 to
- 14 establish and implement a two-year biodiesel crop pilot project
- 15 in the State.
- 16 The sum appropriated shall be expended by the department of
- 17 agriculture for the purposes of this Act; provided that the
- 18 moneys appropriated by this Act shall not lapse at the end of
- 19 the 2022-2023 fiscal year; provided further that any moneys that
- 20 remain unencumbered on June 30, 2024, shall lapse on that date.
- 21 SECTION 4. This Act shall take effect on July 1, 2022.

### Report Title:

Department of Agriculture; Biodiesel; Biofuels; Sustainable Agriculture; Pilot Project; Report; Appropriation

### Description:

Establishes and appropriates moneys for a two-year pilot project to grow biodiesel crops in the State. Requires a report to the Legislature. (HD1)

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