



GOV. MSG. NO. 1262

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

June 26, 2015

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813


Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 26, 2015, the following bill was signed into law:

SB717 SD2 HD1 CD1

RELATING TO ETHANOL
ACT 161 (15)

Sincerely,


DAVID Y. IGE
Governor, State of Hawai'i

RECEIVED
SENATE
OFFICE OF THE PRESIDENT

'15 JUN 30 A10:28

RECEIVED
THE SENATE
CLERK'S OFFICE
STATE OF HAWAII

'15 JUN 30 P3:18

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A BILL FOR AN ACT

RELATING TO ETHANOL.

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

1 SECTION 1. The legislature finds that in some states the
2 mandated use of renewable fuels has created some economic
3 benefit because those states are able to produce or cheaply
4 import renewable fuels. However, despite dozens of biomass,
5 biodiesel, and ethanol facilities that have been proposed for
6 Hawaii, no ethanol plants currently exist in the State. Since
7 2006, Hawaii has required that gasoline sold in the State
8 include ten per cent ethanol. This requirement of blending
9 ethanol into Hawaii's gasoline does not produce any economic
10 benefit for the State; further, the import of ethanol creates an
11 economic burden for state residents.

12 The purpose of this Act is to repeal the requirement that
13 gasoline for motor vehicles sold in the State include ten per
14 cent ethanol.

15 SECTION 2. Section 486J-10, Hawaii Revised Statutes, is
16 repealed.

17 ~~["§486J-10 Ethanol content requirement. (a) The director~~
18 ~~shall adopt rules in accordance with chapter 91 to require that~~



1 ~~gasoline sold in the State for use in motor vehicles contain ten~~
2 ~~per cent ethanol by volume. The amounts of gasoline sold in the~~
3 ~~State containing ten per cent ethanol shall be in accordance~~
4 ~~with rules as the director may deem appropriate. The director~~
5 ~~may authorize the sale of gasoline that does not meet these~~
6 ~~requirements as provided in subsection (d).~~

7 ~~(b) Gasoline blended with an ethanol based product, such~~
8 ~~as ethyl tertiary butyl ether, shall be considered to be in~~
9 ~~conformance with this section if the quantity of ethanol used in~~
10 ~~the manufacture of the ethanol based product represents ten per~~
11 ~~cent, by volume, of the finished motor fuel.~~

12 ~~(c) Ethanol used in the manufacture of ethanol based~~
13 ~~gasoline additives, such as ethyl tertiary butyl ether, may be~~
14 ~~considered to contribute to the distributor's conformance with~~
15 ~~this section, provided that the total quantity of ethanol used~~
16 ~~by the distributor is an amount equal to or greater than the~~
17 ~~amount of ethanol required under this section.~~

18 ~~(d) The director may authorize the sale of gasoline that~~
19 ~~does not meet the provisions of this section:~~



1 ~~(1) To the extent that sufficient quantities of~~
2 ~~competitively priced ethanol are not available to meet~~
3 ~~the minimum requirements of this section; or~~

4 ~~(2) In the event of any other circumstances for which the~~
5 ~~director determines compliance with this section would~~
6 ~~cause undue hardship.~~

7 ~~(c) Each distributor, at reporting dates as the director~~
8 ~~may establish, shall file with the director, on forms~~
9 ~~prescribed, prepared, and furnished by the director, a certified~~
10 ~~statement showing:~~

- 11 ~~(1) The price and amount of ethanol available;~~
- 12 ~~(2) The amount of ethanol blended fuel sold by the~~
13 ~~distributor;~~
- 14 ~~(3) The amount of non ethanol blended gasoline sold by the~~
15 ~~distributor; and~~
- 16 ~~(4) Any other information the director shall require for~~
17 ~~the purposes of compliance with this section.~~

18 ~~(f) Provisions with respect to confidentiality of~~
19 ~~information shall be the same as provided in section 486J-6.~~

20 ~~(g) Any distributor or any other person violating the~~
21 ~~requirements of this section shall be subject to a fine of not~~

1 ~~less than \$2 per gallon of nonconforming fuel, up to a maximum~~
2 ~~of \$10,000 per infraction.~~

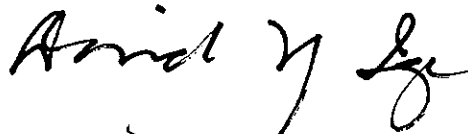
3 ~~(h) The director, in accordance with chapter 91, shall~~
4 ~~adopt rules for the administration and enforcement of this~~
5 ~~section."]~~

6 SECTION 3. Statutory material to be repealed is bracketed
7 and stricken.

8 SECTION 4. This Act shall take effect on December 31,
9 2015.

10

APPROVED this 26 day of JUN, 2015



GOVERNOR OF THE STATE OF HAWAII