A BILL FOR AN ACT

RELATING TO VEGETABLE OIL ENERGY.

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

SECTION 1. (a) The department of business, economic development, and tourism shall conduct a feasibility study on the viability of an integrated, multi-crop production system for palm-based vegetable oil for producing raw vegetable oil that can be refined into biofuel. In conducting the feasibility study, the department of business, economic development, and tourism shall consult with the department of agriculture.

(b) The feasibility study shall include an analysis of the following:

(1) Potential land sites for the development of palm-based vegetable oil extraction mills, germination centers, shade houses, and greenhouses on the islands of Hawaii and Maui; and

(2) Cost projections to:

(A) Order a sufficient supply of phytosanitized oil seeds approved by the United States Department of Agriculture from sources in Australia, Costa
Rica, or Indonesia to germinate, plant, and raise
eight thousand acres of American/African oil palm
hybrids;

(B) Provide aid to farmers on the islands of Hawaii
and Maui in preparing their land for planting
American/African oil palm hybrids; and

(C) The practicability of increasing the state
environmental response, energy, and food security
tax on each barrel or fractional part of a barrel
of petroleum product sold by a distributor to any
retail dealer or end user of petroleum product,
other than a refiner to fund the development of
palm-based vegetable oil.

(c) The department of business, economic development, and
tourism shall submit to the legislature a report of its findings
and recommendations, including any proposed legislation, no
later than twenty days prior to the convening of the regular
session of 2020. The report shall, at a minimum, include
findings and recommendations on:
(1) Specific land sites on the islands of Hawaii and Maui where palm-based vegetable oil cultivation and production might be employed;

(2) Cost and practicability of palm-based vegetable oil as a raw material for biofuel; and

(3) The practicability of increasing the state environmental response, energy, and food security tax on each barrel or fractional part of a barrel of petroleum product sold by a distributor to any retail dealer or end user of petroleum product, other than a refiner to fund the development of palm-based vegetable oil.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of $ or so much thereof as may be necessary for fiscal year 2019-2020 for the department of business, economic development, and tourism to conduct a feasibility study, in consultation with the department of agriculture, on the viability of an integrated, multi-crop production system for palm-based vegetable oil for producing raw vegetable oil that can be refined into biofuel.
The sum appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2019.

INTRODUCED BY: [Signature]

Report Title:
Palm-based Vegetable Oil; Feasibility Study; Appropriation

Description:
Requires the department of business, economic development, and tourism to conduct a feasibility study in consultation with the department of agriculture on the viability of an integrated, multi-crop production system for palm-based vegetable oil for producing raw vegetable oil that can be refined into biofuel, and to submit a report to the legislature. Appropriates funds.

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