

JAN 23 2026

A BILL FOR AN ACT

RELATING TO WATER.

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

1 SECTION 1. The legislature finds that rural areas of Maui
2 county, such as Molokai and Lanai, have some of the highest
3 electricity rates in the State, with water pumping constituting
4 twenty to forty per cent of water utility operating budgets.
5 Power outages can impede access to water for agricultural,
6 household, and emergency use, threatening food security and
7 community safety. While rural and agricultural communities may
8 host many renewable energy developments, these communities often
9 receive little economic benefit or infrastructure investment in
10 return.

11 The legislature further finds that billions of gallons of
12 water flow through the Molokai irrigation system each year,
13 which is managed by the department of agriculture and
14 biosecurity agricultural resource management division. This
15 system requires year-round pumping, regardless of operational
16 status to fill up and maintain a serviceable reservoir, creating
17 unnecessary budget pressure. Because the irrigation system is a



1 critical agricultural resource, it is imperative that it is
2 accessible and affordable for farmers.

3 The legislature also finds that because water pumps have
4 flexible operating schedules, they are ideal candidates for
5 solar battery systems. On-site renewable energy can eliminate
6 or dramatically reduce electricity costs for water pumping.

7 Additionally, microgrids can maintain water access during grid
8 outages, improving disaster resilience.

9 Accordingly, the purpose of this Act is to establish a
10 temporary water-energy resilience competitive grant program in
11 the county of Maui to convert water pumping and irrigation
12 facilities to renewable microgrids to reduce electricity costs
13 and improve disaster resilience.

14 Section 2. (a) The Hawaii state energy office shall
15 develop and implement a three-year water-energy resilience
16 competitive grant program in the county of Maui to convert water
17 pumping and irrigation facilities to renewable microgrids to
18 reduce electricity costs and improve disaster resilience.

19 (b) The grant program shall provide grants to qualified
20 applicants to convert two to three high impact water pumping or
21 irrigation facilities in Maui county to renewable microgrids;



1 provided that these facilities shall serve agricultural
2 irrigation or community water needs. The renewable microgrids
3 shall include solar panels, battery storage, and smart pump
4 controls.

5 (c) The Hawaii state energy office shall collaborate with
6 the department of agriculture and biosecurity, department of
7 land and natural resources, and the county of Maui to carry out
8 the grant program, which shall include the following success
9 metrics:

10 (1) A target of forty to sixty per cent reduction in
11 electricity costs for participating facilities;
12 (2) Ability to maintain water pumping during grid outages;
13 (3) The training of six to ten local technicians; and
14 (4) A demonstrated ability to scale the model for other
15 counties in the State;

16 provided that the Hawaii state energy office shall provide
17 technical assistance for design and installation of any approved
18 grant project and shall provide training for local technicians
19 to operate and maintain the systems.

20 (d) The water-energy resilience competitive grant program
21 shall emphasize:



- 1 (1) Community benefit over corporate profit;
- 2 (2) Local hiring and training requirements;
- 3 (3) Farmer and rancher input on site selection; and
- 4 (4) Transparent reporting on cost savings and benefits.

5 (e) Requests for grants shall be submitted to the Hawaii
6 state energy office in accordance with administrative rules
7 adopted to administer the grant program.

8 (f) The Hawaii state energy office shall submit an annual
9 report of its findings and recommendations to the legislature no
10 later than twenty days prior to the convening of the regular
11 sessions of 2027 and 2028, which shall include:

12 (1) Cost savings for the county of Maui;

13 (2) Outage resilience, including hours of water pump

14 operation during microgrid failures;

15 (3) The number of jobs created, and individuals trained in

16 the water-energy resilience pilot program; and

17 (4) Technical performance data.

18 (g) The Hawaii state energy office shall submit a final
19 report of its findings and recommendations, including any
20 proposed legislation for expansion of the three-year water-
21 energy competitive grant program, to the legislature no later



1 than twenty days prior to the convening of the regular session
2 of 2029.

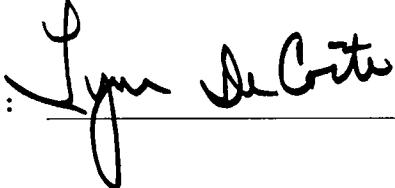
3 SECTION 3. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$ or so
5 much thereof as may be necessary for fiscal year 2026-2027 for
6 the three-year water-energy resilience competitive grant
7 program.

8 The sum appropriated shall be expended by the Hawaii state
9 energy office for the purposes of this Act.

10 SECTION 4. This Act shall take effect on July 1, 2026, and
11 shall be repealed on June 30, 2027.

12

INTRODUCED BY:

A handwritten signature in black ink, appearing to read "Lynn DeCote", is written over a horizontal line. The signature is fluid and cursive.

S.B. NO. 2579

Report Title:

HSEO; Department of Land and Natural Resources; Department of Agriculture and Biosecurity; Maui County; Temporary Water-Energy Resilience Competitive Grant Program; Reports; Appropriation

Description:

Requires the Hawaii State Energy Office to implement and administer a temporary Water-Energy Resilience Competitive Grant Program in the County of Maui. Requires reports to the Legislature. Appropriates funds.

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

