

JAN 28 2026

A BILL FOR AN ACT

RELATING TO THE STATE BUDGET.

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

1 SECTION 1. The legislature finds that community health
2 centers are an essential component of Hawaii's health care
3 system, providing primary and preventive care regardless of the
4 person's ability to pay and serving medically underserved,
5 low-income, rural, and geographically isolated communities.

6 Rising energy costs and increasing risks of power disruptions
7 threaten the ability of nonprofit community health centers to
8 sustain operations and deliver critical services, particularly
9 during disasters and emergencies.

10 The legislature further finds that solar-powered microgrids
11 with energy storage provide a reliable and cost-effective
12 solution to ensure continuity of health care services during
13 grid outages, reduce long-term operating costs, and strengthen
14 community resilience. The Hawaii Primary Care Association has
15 demonstrated capacity to steward public funds and coordinate
16 multi-site initiatives that strengthen the sustainability of
17 community health centers statewide. In partnership with



1 mission-driven clean energy partners, the association proposes
2 to deploy resilient energy systems at community health centers
3 located in medically underserved communities across multiple
4 islands.

5 The legislature further finds that the proposed projects
6 leverage substantial private, philanthropic, and incentive-based
7 funding, but require limited state support to close a remaining
8 financing gap. Without timely state investment, participating
9 health centers risk losing access to federal tax credits and
10 other incentives, jeopardizing project viability and the
11 opportunity to achieve long-term cost savings that can be
12 reinvested into patient care and essential services.

13 Accordingly, the legislature finds that providing a grant
14 pursuant to chapter 42F, Hawaii Revised Statutes, to support
15 this initiative serves a valid public purpose by preserving
16 access to essential health services, protecting vulnerable
17 populations, and strengthening statewide disaster readiness and
18 energy resilience.

19 SECTION 2. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$2,500,000 or so much
21 thereof as may be necessary for fiscal year 2026-2027 as a grant



pursuant to chapter 42F, Hawaii Revised Statutes, for the Hawaii Primary Care Association to support the development and deployment of solar-plus-storage microgrids at nonprofit community health centers located in medically underserved communities across the State, including:

- (1) Hawaii Island Community Health Center, Hilo facilities;
- (2) Hawaii Island Community Health Center, Kau Family Health and Dental;
- (3) Hawaii Island Community Health Center, Keaau Family Health and Dental;
- (4) Hana Health;
- (5) Molokai Ohana Health Care, Inc., Molokai Community Health Center;
- (6) Waimanalo Health Center, Hale Ola Akahi;
- (7) Waimanalo Health Center, Hale Ola Alua; and
- (8) The Wahiawa Center for Community Health.

The grant shall be used to close financing gaps for eligible projects, leverage private and incentive-based funding, and advance energy resilience, continuity of health care



1 services during emergencies, and long-term operating cost
2 reductions for participating community health centers.

3 The sum appropriated shall be expended by the department of
4 health for the purposes of this Act.

5 SECTION 3. This Act shall take effect on July 1, 2026.

6

INTRODUCED BY:

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S.B. NO. 3254

Report Title:

DOH; Grant; Hawaii Primary Care Association; Solar-Plus-Storage
Microgrids; Community Health Centers; Medically Underserved
Communities; Appropriation

Description:

Appropriates funds to be expended by the Department of Health as
a grant for the Hawaii Primary Care Association to support
solar-plus-storage microgrid implementation at community health
centers in medically underserved communities.

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

