

STAND. COM. REP. NO. 2199

Honolulu, Hawaii

FEB 11 2026

RE: S.B. No. 3326
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Energy and Intergovernmental Affairs, to which was referred S.B. No. 3326 entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

beg leave to report as follows:

The purpose and intent of this measure is to require the Public Utilities Commission to initiate the separation of ownership and control of electric energy generation services from transmission and distribution services through the adoption of rules and to provide reports to the Legislature.

Your Committees received testimony in support of this measure from Retail Merchants of Hawaii and Pacific Resource Partnership.

Your Committees received testimony in opposition to this measure from Hawaiian Electric and International Brotherhood of Electrical Workers Local 1260.

Your Committees received comments on this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Public Utilities Commission, and Life of the Land.

Your Committees find that the State's electricity consumers experience some of the highest power costs in the nation. This



measure would require the separation of the generation segment of the State's electric utility market from the transmission and distribution segments to increase competition and facilitate development of a more resilient and modernized grid, which can lead to fewer outages and lower electricity costs for consumers.

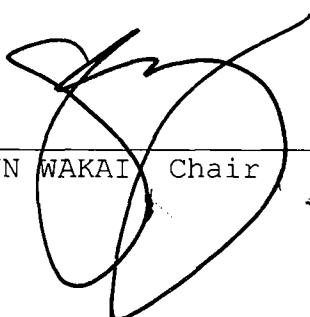
Your Committees have amended this measure by:

- (1) Replacing "unbundling" with "separate" or "separation" throughout the measure, as applicable;
- (2) Specifying that the Public Utilities Commission shall preserve all existing statutory programs and protections for customers;
- (3) Inserting language requiring the Public Utilities Commission to protect existing labor and collective bargaining agreements;
- (4) Deleting language that would have required the Public Utilities Commission to adopt final rules within a certain timeframe;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Energy and Intergovernmental Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3326, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3326, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Commerce and
Consumer Protection and Energy
and Intergovernmental Affairs,


GLENN WAKAI Chair


JARRETT KEOHOKALOLE, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

*Only one measure per Record of Votes

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Energy and Intergovernmental Affairs
EIG

Bill / Resolution No.:* SB3326	Committee Referral: CPN/EIG, WAM	Date: 2/10/2026		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
WAKAI, Glenn (C)	✓			
CHANG, Stanley (VC)	✓			
DECOITE, Lynn	✓			
RICHARDS, III, Herbert M. "Tim"		✓		
FEVELLA, Kurt				✓
TOTAL	3	1	1	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original File with Committee Report		Yellow Committee	Pink Drafting Agency	

*Only one measure per Record of Votes