

STAND. COM. REP. NO. **2175**

Honolulu, Hawaii

FEB 11 2026

RE: S.B. No. 2579
S.D. 1

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

Sir:

Your Committee on Energy and Intergovernmental Affairs, to which was referred S.B. No. 2579 entitled:

"A BILL FOR AN ACT RELATING TO WATER,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Hawaii State Energy Office to implement and administer a temporary Water-Energy Resilience Competitive Grant Program in the County of Maui;
- (2) Require reports to the Legislature; and
- (3) Appropriate funds.

Your Committee received testimony in support of this measure from one individual.

Your Committee received comments on this measure from the Department of the Attorney General, Department of Land and Natural Resources, and Hawaii State Energy Office.

Your Committee finds that rural areas of Maui county have some of the highest electricity rates in the State, with water pumping constituting a significant portion of water utility operating budgets. Irrigation for agricultural purposes is a



major source of water usage in rural areas of Maui county, which can cause unnecessary strain on water accessibility and affordability. Your Committee further finds that on-site renewable energy systems, also known as renewable microgrids, can support water pumps critical for farmers and community members. This measure will assist in lowering utility costs and serve agricultural irrigation and community water needs.

Your Committee acknowledges the extensive nature of the proposed grant program established by this measure and notes that the coordination between the Hawaii State Energy Office and stakeholder groups will require an initial phase of data collection to assess information that is necessary for a successful implementation of the grand program.

Your Committee further notes the testimony of the Department of the Attorney General that, pursuant to the Hawaii State Constitution, this measure requires language establishing appropriate standards for state agencies to issue grants. Therefore, amendments are necessary to address these concerns.

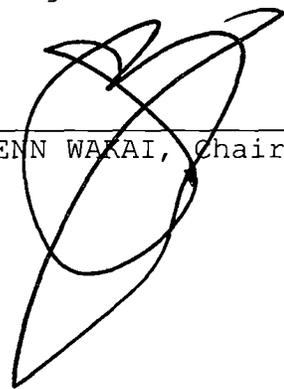
Accordingly, your Committee has amended this measure by:

- (1) Restructuring the Water-Energy Resilience Competitive Grant Program to consist of an initial data collection phase and a second implementation phase;
- (2) Inserting language establishing appropriate standards for the Hawaii State Energy Office to issue grants subsidizing the installation of renewable microgrids in the county of Maui;
- (3) Allowing the Hawaii State Energy Office to adopt rules to use a phased approach to implement the Water-Energy Resilience Competitive Grant Program;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the record of votes of the members of your Committee on Energy and Intergovernmental Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2579, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2579, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Energy and
Intergovernmental Affairs,



GLENN WAKAI, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Energy and Intergovernmental Affairs
EIG

Bill / Resolution No.:*	Committee Referral:	Date:		
SB2579	EIG, WAM	2/3/26		
<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	4			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink		
File with Committee Report	Committee	Drafting Agency		

*Only one measure per Record of Votes