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# A BILL FOR AN ACT

RELATING TO ENERGY ASSISTANCE.

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

1           SECTION 1. The legislature finds that Hawaii's electricity  
2 rates are among the highest in the nation, close to three times  
3 the national average, and vary based on the availability of  
4 renewable resources, power plants, fuel costs, and pricing  
5 regulations. The 2022 report commissioned by the Aloha United  
6 Way, "ALICE in Hawaii: 2022 Facts and Figures", states that  
7 forty-four per cent of the households in the State live below  
8 the ALICE (asset limited, income constrained, employed)  
9 threshold, meaning that almost half of all families in the State  
10 are struggling to make ends meet, even though they are employed.  
11 The number of electric utility customers in arrears and facing  
12 disconnection is higher than before the COVID-19 pandemic, with  
13 thousands of customers collectively owing millions of dollars.  
14 In addition, electricity needs are expected to increase due to  
15 rising climate temperatures and associated home cooling needs.  
16           In 2022, the legislature adopted Senate Concurrent  
17 Resolution No. 242, S.D. 1, Session Laws of Hawaii 2022, that



1 requested the creation of a Hawaii state low-income home energy  
2 assistance program (LIHEAP) working group. As noted in a  
3 December 2022 report to the legislature submitted by the public  
4 utilities commission, the federal LIHEAP administered by the  
5 department of human services, a program designed to provide  
6 energy assistance to families, served fewer than nine thousand  
7 households in Hawaii in 2020, or about two per cent of the  
8 State's population potentially eligible for energy assistance  
9 based on income. The State received the lowest amount of  
10 federal funding for federal LIHEAP of all states in fiscal year  
11 2021-2022. According to estimates from the National Energy and  
12 Utility Affordability Coalition, Hawaii received 0.14 per cent  
13 of federal LIHEAP funds in fiscal year 2021-2022, roughly half  
14 of the next-lowest state. Funding for states is determined  
15 based on a formula developed in 1984, which inherently favors  
16 states with large heating needs and does not consider specific  
17 electricity prices within states.

18 The legislature further finds that, in addition to the  
19 limited financial assistance available through the department of  
20 human services from the federal LIHEAP program, the public  
21 benefits fee administrator of the public utilities commission



1 plays a vital role in ensuring that all available state and  
2 federal benefits and rebate programs are being utilized by  
3 providing opportunities and solutions for Hawaii residents and  
4 businesses to save money and energy. The legislature also finds  
5 that the State must commit to providing assistance to low-income  
6 households that are directly impacted due to the high cost of  
7 electricity.

8 Accordingly, the purpose of this Act is to:

- 9 (1) Establish a Hawaii home energy assistance program,  
10 similar to the federal LIHEAP program, to allow the  
11 department of human services to provide energy  
12 assistance to more families; and
- 13 (2) Require the public benefits fee administrator of the  
14 public utilities commission to provide valuable  
15 information and assistance to recipients of the Hawaii  
16 home energy assistance program to help make  
17 recipients' homes more energy efficient to reduce  
18 their cost of electricity.

19 SECTION 2. Chapter 346, Hawaii Revised Statutes, is  
20 amended by adding a new section to part II to be appropriately  
21 designated and to read as follows:



1        "§346- Hawaii home energy assistance program;  
2 established. (a) There is established within the department  
3 the Hawaii home energy assistance program. Subject to the  
4 availability of program funds, the program may assist eligible  
5 households with payment of costs associated with meeting an  
6 eligible household's home energy needs.

7        (b) Any person who is in need of public assistance as  
8 provided by this section may submit an application in a form  
9 prescribed by the department that includes, at a minimum,  
10 documentation to prove that the person:

11        (1) Is a resident of the State;  
12        (2) Has an active utilities account in the State; and  
13        (3) Satisfies the income eligibility limit and all other  
14        eligibility standards established by the department  
15        pursuant to subsection (d).

16        (c) The public utilities commission public benefits fee  
17 administrator, in consultation with the department, shall  
18 provide information and technical assistance about available  
19 energy efficiency programs to recipients, including an energy  
20 audit at the request of a recipient, and assist recipients with



1 implementation of energy efficiency improvements, in accordance  
2 with section 269-123(b).

3 (d) The department shall adopt rules pursuant to  
4 chapter 91 for purposes of this section."

5 SECTION 3. Section 269-123, Hawaii Revised Statutes, is  
6 amended by amending subsection (b) to read as follows:

7 "(b) The public benefits fee administrator's duties and  
8 responsibilities shall be established by the public utilities  
9 commission by rule or order, and may include:

10 (1) Identifying, developing, administering, promoting,  
11 implementing, and evaluating programs, methods, and  
12 technologies that support energy-efficiency and  
13 demand-side management programs;

14 (2) Encouraging the continuance or improvement of  
15 efficiencies made in the production, delivery, and use  
16 of energy-efficiency and demand-side management  
17 programs and services;

18 (3) Using the energy-efficiency expertise and capabilities  
19 that have developed or may develop in the State and  
20 consulting with state agency experts;



- 1 (4) Promoting program initiatives, incentives, and market  
2 strategies that address the needs of persons facing  
3 the most significant barriers to participation;
- 4 (5) Promoting coordinated program delivery, including  
5 coordination with electric public utilities regarding  
6 the delivery of low-income home energy assistance,  
7 other demand-side management or energy-efficiency  
8 programs, and any utility programs;
- 9 (6) Consideration of innovative approaches to delivering  
10 demand-side management and energy-efficiency services,  
11 including strategies to encourage third-party  
12 financing and customer contributions to the cost of  
13 demand-side management and energy-efficiency services;
- 14 (7) Submitting, to the public utilities commission for  
15 review and approval, a multi-year budget and planning  
16 cycle that promotes program improvement, program  
17 stability, and maturation of programs and delivery  
18 resources; [~~and~~]
- 19 (8) Educating and training appliance manufacturers,  
20 distributors, and retailers of appliances covered  
21 under part VI of chapter 196 about the appliance



1 efficiency standards established under that part to  
 2 improve compliance[-]; and  
 3 (9) Providing information and technical assistance about  
 4 available energy efficiency programs to recipients of  
 5 the Hawaii home energy assistance program, including  
 6 an energy audit if requested by the recipient, and  
 7 assisting the recipients with implementation of energy  
 8 efficiency improvements."

9 SECTION 4. There is appropriated out of the general  
 10 revenues of the State of Hawaii the sum of \$5,000,000 or so much  
 11 thereof as may be necessary for fiscal year 2025-2026 and the  
 12 same sum or so much thereof as may be necessary for fiscal year  
 13 2026-2027 to:

- 14 (1) Establish one full-time equivalent (1.0 FTE) position
- 15 and two temporary full-time equivalent (2.0 FTE)
- 16 positions;
- 17 (2) Make system modifications; and
- 18 (3) Contract services as may be necessary,
- 19 for the purposes of implementing the Hawaii home energy
- 20 assistance program established pursuant to section 2 of this
- 21 Act.



1           The sums appropriated shall be expended by the department  
2 of human services for the purposes of this Act.

3           SECTION 5. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5           SECTION 6. This Act shall take effect on December 31,  
6 2050.



**Report Title:**

DHS; PUC; Hawaii Home Energy Assistance Program; Positions;  
Appropriations

**Description:**

Establishes the Hawaii Home Energy Assistance Program within the Department of Human Services to assist qualifying households in paying their energy bills. Requires the Public Utilities Commission Public Benefits Fee Administrator to provide certain assistance to recipients of the program. Establishes positions. Appropriates funds. Effective 12/31/2050. (SD1)

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

