
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, at close to three
3 times the national average, and vary based on availability of
4 renewable resources, power plants, fuel costs, and pricing
5 regulations. The 2022 report commissioned by Aloha United Way,
6 "ALICE in Hawaii: 2022 Facts and Figures", states that forty-
7 four per cent of households in the State live below the ALICE
8 (asset limited, income constrained, employed) threshold, meaning
9 that almost one-half of all families in Hawaii are struggling to
10 make ends meet, even though they are employed. The number of
11 electric utility customers in arrears and facing disconnection
12 is higher than before the COVID-19 pandemic, with thousands of
13 customers collectively owing millions of dollars. In addition,
14 electricity needs are expected to increase due to rising climate
15 temperatures and associated home cooling needs.

16 During the regular session of 2022, the legislature adopted
17 Senate Concurrent Resolution No. 242, S.D. 1, which requested



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

17 The legislature further finds that in addition to the
18 limited financial assistance available through the department of
19 human services from the federal LIHEAP program, the public
20 utilities commission's public benefits fee administrator plays a
21 vital role in ensuring that all available state and federal



1 benefits and rebate programs are being utilized by providing
2 opportunities and solutions for Hawaii residents and businesses
3 to save money and energy. The legislature also finds that the
4 State must commit to efforts that provide assistance to low-
5 income households that are directly impacted due to the high
6 cost of electricity.

7 The purpose of this Act is to establish within the
8 department of human services a Hawaii home energy assistance
9 program similar to the federal LIHEAP program that will allow
10 participants to receive not only financial assistance to meet
11 their home energy needs but also valuable information and
12 assistance from the public utilities commission's public
13 benefits fee administrator about making their homes more energy
14 efficient to reduce their cost of electricity.

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

18 "§346- Hawaii home energy assistance program;
19 established. (a) There is established within the department
20 the Hawaii home energy assistance program. Subject to the
21 availability of program funds, the program may assist eligible



households with payment of the costs associated with meeting an
eligible household's home energy needs.

(b) To apply for assistance through the Hawaii home energy
assistance program, a person shall submit an application on a
form prescribed by the department that includes, at a minimum,
documentation to prove that the person:

(1) Is a resident of the State;

(2) Has an active utilities account in the State; and

(3) Satisfies the income eligibility limit and all other
eligibility standards established by the department in
rules adopted pursuant to subsection (d).

(c) The public benefits fee administrator established
pursuant to section 269-122, in consultation with the
department, shall provide information and technical assistance
about available energy efficiency programs to recipients,
including an energy audit at the request of a recipient, and
assist recipients with implementation of energy efficiency
improvements, in accordance with section 269-123(b).

(d) The department shall adopt rules pursuant to chapter
91 to implement this section."



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

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

6 (1) Identifying, developing, administering, promoting,
7 implementing, and evaluating programs, methods, and
8 technologies that support energy-efficiency and
9 demand-side management programs;

10 (2) Encouraging the continuance or improvement of
11 efficiencies made in the production, delivery, and use
12 of energy-efficiency and demand-side management
13 programs and services;

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

17 (4) Promoting program initiatives, incentives, and market
18 strategies that address the needs of persons facing
19 the most significant barriers to participation;

20 (5) Promoting coordinated program delivery, including
21 coordination with electric public utilities regarding



1 the delivery of low-income home energy assistance,
2 other demand-side management or energy-efficiency
3 programs, and any utility programs;

4 (6) Consideration of innovative approaches to delivering
5 demand-side management and energy-efficiency services,
6 including strategies to encourage third-party
7 financing and customer contributions to the cost of
8 demand-side management and energy-efficiency services;

9 (7) Submitting, to the public utilities commission for
10 review and approval, a multi-year budget and planning
11 cycle that promotes program improvement, program
12 stability, and maturation of programs and delivery
13 resources; [and]

14 (8) Educating and training appliance manufacturers,
15 distributors, and retailers of appliances covered
16 under part VI of chapter 196 about the appliance
17 efficiency standards established under that part to
18 improve compliance[-]; and

19 (9) Providing information and technical assistance about
20 available energy efficiency programs to recipients of
21 the Hawaii home energy assistance program, including



1 an energy audit if requested by the recipient, and
2 assisting the recipients with implementation of energy
3 efficiency improvements."

4 SECTION 4. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$5,000,000 or so much
6 thereof as may be necessary for fiscal year 2025-2026 and the
7 same sum or so much thereof as may be necessary for fiscal year
8 2026-2027 to establish one full-time equivalent (1.0 FTE)
9 position and two full-time equivalent (2.0 FTE) temporary
10 positions, make system modifications, and contract for services
11 for the purposes of implementing the Hawaii home energy
12 assistance program.

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

15 SECTION 5. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 6. This Act shall take effect on July 1, 2025.

18
INTRODUCED BY:



JAN 17 2025



H.B. NO. 789

Report Title:

DHS; PUC; Hawaii Home Energy Assistance Program; Appropriation

Description:

Establishes the Hawaii Home Energy Assistance Program within the Department of Human Services to assist households in paying their energy bills. Requires the Public Utilities Commission's Public Benefits Fee Administrator to provide information and technical assistance about available energy efficiency programs to recipients of the program. Appropriates funds.

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