
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 households in the State live below the
8 ALICE (asset limited, income constrained, employed) threshold,
9 meaning that almost half of all families in the State are
10 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 (2022), which requested the public



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

20 The legislature further finds that, in addition to the
21 limited financial assistance available through the United States



1 Department of Health and Human Services from the federal LIHEAP
2 program, the public benefits fee administrator of the public
3 utilities commission plays a vital role in ensuring that all
4 available state and federal benefits and rebate programs are
5 being utilized by providing opportunities and solutions for
6 Hawaii residents and businesses to save money and energy. The
7 legislature also finds that the State must commit to providing
8 assistance to low-income households that are directly impacted
9 by the high cost of electricity.

10 Accordingly, the purpose of this Act is to:

- 11 (1) Establish a Hawaii home energy assistance program to
12 allow the department of human services to assist
13 eligible households with payment costs associated with
14 meeting an eligible household's home energy needs; and
15 (2) Require the public benefits fee administrator of the
16 public utilities commission to provide valuable
17 information and assistance to recipients of the Hawaii
18 home energy assistance program and assist the
19 recipients with implementation of energy assistance
20 improvements.



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

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

(b) Any person who is in need of public assistance may submit an application in 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 energy utility account in the State; and

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

(c) The public utilities commission public benefits fee administrator, in consultation with the department, shall provide information and technical assistance about available



1 energy efficiency programs to recipients, including an energy
2 audit at the request of a recipient, and assist recipients with
3 implementation of energy efficiency improvements in accordance
4 with section 269-123(b).

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

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

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

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

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



- 1 (3) Using the energy-efficiency expertise and capabilities
2 that have developed or may develop in the State and
3 consulting with state agency experts;
- 4 (4) Promoting program initiatives, incentives, and market
5 strategies that address the needs of persons facing
6 the most significant barriers to participation;
- 7 (5) Promoting coordinated program delivery, including
8 coordination with electric public utilities regarding
9 the delivery of low-income home energy assistance,
10 other demand-side management or energy-efficiency
11 programs, and any utility programs;
- 12 (6) Consideration of innovative approaches to delivering
13 demand-side management and energy-efficiency services,
14 including strategies to encourage third-party
15 financing and customer contributions to the cost of
16 demand-side management and energy-efficiency services;
- 17 (7) Submitting, to the public utilities commission for
18 review and approval, a multi-year budget and planning
19 cycle that promotes program improvement, program
20 stability, and maturation of programs and delivery
21 resources; [and]



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

(9) Providing information and technical assistance about available energy efficiency programs to recipients of the Hawaii home energy assistance program, including an energy audit if requested by the recipient, and assisting the recipients with implementation of energy efficiency improvements."

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

(1) Establish full-time equivalent (FTE) position and full-time equivalent (FTE) temporary positions;

(2) Make system modifications; and

(3) Contract services as may be necessary,



1 for the purposes of implementing the Hawaii home energy
2 assistance program established pursuant to section 2 of this
3 Act.

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

6 SECTION 5. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 6. This Act shall take effect on July 1, 3000.



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 eligible households in paying their energy bills. Requires the Public Utilities Commission Public Benefits Fee Administrator to provide certain information and assistance to recipients of the program. Establishes positions. Appropriates funds. Effective 7/1/3000. (HD1)

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

