

JAN 17 2025

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 to part II two new sections to be
21 appropriately 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 chapter
4 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 346- ,
21 Hawaii Revised Statutes.



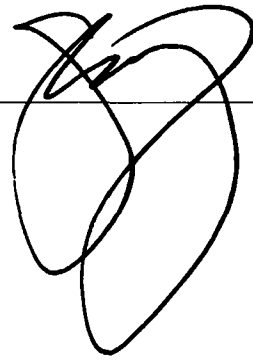
1 The sums appropriated shall be expended by the department
2 of human services for the purposes of this Act.

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 July 1, 2025.

6

INTRODUCED BY: _____

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S.B. NO. 994

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 assistants to recipients of the program. Establishes positions. Appropriates funds.

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

