
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 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 Hawaii 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 During the Regular Session of 2022, the legislature adopted
17 Senate Concurrent Resolution No. 242, S.D. 1, that requested the



1 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 public benefits administrator plays a vital
21 role in ensuring that all available State and federal benefits



1 and rebate programs are being utilized by providing
2 opportunities and solutions for Hawaii residents and business to
3 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 the department of human services to provide energy assistance to
11 more families. In addition to financial assistance from the
12 department of human services, recipients of the Hawaii home
13 energy assistance program will receive valuable information and
14 assistance from the public utilities commission public benefits
15 administrator about making their homes more energy efficient to
16 reduce their cost of electricity.

17 SECTION 2. Chapter 346, Hawaii Revised Statutes, is
18 amended by adding two new sections to part II to be
19 appropriately designated and to read as follows:

20 "§346- Hawaii home energy assistance program;
21 established. (a) There is established within the department



1 the Hawaii home energy assistance program. Subject to the
2 availability of program funds, the program shall be authorized
3 to assist eligible households with payment of the costs
4 associated with meeting an eligible household's home energy
5 needs that may include, among other things, energy bill
6 payments, home energy crisis payments, weatherization, energy
7 efficiency improvements, and energy-related home repairs.

8 (b) The public utilities commission public benefits
9 administrator, in consultation with the department, shall
10 provide information and technical assistance to recipients,
11 including an energy audit at the request of a recipient, and
12 assist recipients with implementation of energy efficiency
13 improvements, in accordance with section 269-123(b).

14 (c) The department shall adopt rules pursuant to chapter
15 91 for purposes of this section.

16 **§346- Hawaii home energy assistance program special**
17 **fund.** (a) There is established in the state treasury the
18 Hawaii home energy assistance program special fund, to be
19 administered by the department, into which shall be deposited:

20 (1) Appropriations made by the legislature;



1 (2) All contributions to the Hawaii home energy assistance
2 program from public or private individuals or
3 entities;

4 (3) All interest earned on or accrued to moneys deposited
5 in the special fund; and

6 (4) Any other moneys made available to the special fund
7 from other sources.

8 (b) Moneys in the Hawaii home energy assistance program
9 special fund shall be expended by the department for the
10 purposes of the Hawaii home energy assistance program under
11 section 346- ."

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

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

17 (1) Identifying, developing, administering, promoting,
18 implementing, and evaluating programs, methods, and
19 technologies that support energy-efficiency and
20 demand-side management programs;



- 1 (2) Encouraging the continuance or improvement of
2 efficiencies made in the production, delivery, and use
3 of energy-efficiency and demand-side management
4 programs and services;
- 5 (3) Using the energy-efficiency expertise and capabilities
6 that have developed or may develop in the State and
7 consulting with state agency experts;
- 8 (4) Promoting program initiatives, incentives, and market
9 strategies that address the needs of persons facing
10 the most significant barriers to participation;
- 11 (5) Promoting coordinated program delivery, including
12 coordination with electric public utilities regarding
13 the delivery of low-income home energy assistance,
14 other demand-side management or energy-efficiency
15 programs, and any utility programs;
- 16 (6) Consideration of innovative approaches to delivering
17 demand-side management and energy-efficiency services,
18 including strategies to encourage third-party
19 financing and customer contributions to the cost of
20 demand-side management and energy-efficiency services;



1 (7) Submitting, to the public utilities commission for
2 review and approval, a multi-year budget and planning
3 cycle that promotes program improvement, program
4 stability, and maturation of programs and delivery
5 resources; ~~and~~

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

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

17 SECTION 4. There is appropriated out of the general
18 revenues of the State of Hawaii the sum of \$ or so
19 much thereof as may be necessary for fiscal year 2024-2025 to
20 establish one full-time equivalent position (1.0 FTE) and two
21 temporary full-time equivalent positions (2.0 FTE) and to



1 contract for services for the purposes of implementing the
2 Hawaii home energy assistance program.

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

5 SECTION 5. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$ or so
7 much thereof as may be necessary for fiscal year 2024-2025 to be
8 deposited into the Hawaii home energy assistance program special
9 fund.

10 SECTION 6. There is appropriated out of the Hawaii home
11 energy assistance program special fund the sum of \$ or
12 so much thereof as may be necessary for fiscal year 2024-2025
13 for the purposes of the Hawaii home energy assistance program.

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

16 SECTION 7. In accordance with section 9 of article VII of
17 the Hawaii State Constitution and sections 37-91 and 37-93,
18 Hawaii Revised Statutes, the legislature has determined that the
19 appropriations contained in H.B. No. , will cause the state
20 general fund expenditure ceiling for fiscal year 2024-2025 to be
21 exceeded by \$ or per cent. In addition, the



1 appropriations contained in this Act will cause the general fund
2 expenditure ceiling for fiscal year 2024-2025 to be further
3 exceeded by \$ or per cent. The combined total
4 amount of general fund appropriations contained in only these
5 two Acts will cause the state general fund expenditure ceiling
6 for fiscal year 2024-2025 to be exceeded by
7 \$ or per cent. The reasons for exceeding the
8 general fund expenditure ceiling are that:

- 9 (1) The appropriations made in this Act is necessary to
10 serve the public interest; and
- 11 (2) The appropriations made in this Act meets the needs
12 addressed by this Act.

13 SECTION 8. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 9. This Act shall take effect on July 1, 3000.



Report Title:

Hawaii Home Energy Assistance Program; Department of Human Services; Public Utilities Commission; Appropriation; Expenditure Ceiling

Description:

Establishes the Hawaii home energy assistance program within the Department of Human Services to assist households in paying their energy bills. Establishes the Hawaii home energy assistance special fund. Appropriates funds. Effective 7/1/3000. (HD1)

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