



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB0796

Introduced 2/9/2009, by Rep. Gary Hannig

SYNOPSIS AS INTRODUCED:

| | |
|----------------|-----------------------------|
| 20 ILCS 625/2 | from Ch. 127, par. 2602 |
| 305 ILCS 20/3 | from Ch. 111 2/3, par. 1403 |
| 305 ILCS 20/4 | from Ch. 111 2/3, par. 1404 |
| 305 ILCS 20/6 | |
| 305 ILCS 20/8 | from Ch. 111 2/3, par. 1408 |
| 305 ILCS 20/13 | |
| 305 ILCS 22/5 | |

Amends the Illinois Economic Opportunity Law, the Energy Assistance Act, and the Good Samaritan Energy Plan Act. Transfers the administration of the low-income energy assistance program (LIHEAP) and the weatherization assistance program from the Department of Healthcare and Family Services to the Department of Commerce and Economic Opportunity. Provides that the income limit for program eligibility set by the Department may not exceed the amount established by the federal Office of Management and Budget or 75% of the State median income, whichever is greater (now, may not exceed 150% of the federal nonfarm poverty level).

LRB096 07879 JAM 17982 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning energy assistance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Economic Opportunity Act is amended
5 by changing Section 2 as follows:

6 (20 ILCS 625/2) (from Ch. 127, par. 2602)

7 Sec. 2. (a) The Director of Commerce and Economic
8 Opportunity is authorized to administer the federal community
9 services block program, emergency community services homeless
10 grant program, low-income energy assistance program,
11 weatherization assistance program, supplemental low-income
12 energy assistance fund, and other federal programs that require
13 or give preference to community action agencies for local
14 administration in accordance with federal laws and regulations
15 as amended. The Director shall provide financial assistance to
16 community action agencies from community service block grant
17 funds and other federal funds requiring or giving preference to
18 community action agencies for local administration for the
19 programs described in Section 4. ~~The Director of Healthcare and~~
20 ~~Family Services is authorized to administer the federal~~
21 ~~low-income home energy assistance program and weatherization~~
22 ~~assistance program in accordance with federal laws and~~
23 ~~regulations as amended.~~

1 (b) Funds appropriated for use by community action agencies
2 in community action programs shall be allocated annually to
3 existing community action agencies or newly formed community
4 action agencies by the Department of Commerce and Economic
5 Opportunity. Allocations will be made consistent with duly
6 enacted departmental rules.

7 (Source: P.A. 94-773, eff. 5-18-06; 94-793, eff. 5-19-06.)

8 Section 10. The Energy Assistance Act is amended by
9 changing Sections 3, 4, 6, 8, and 13 as follows:

10 (305 ILCS 20/3) (from Ch. 111 2/3, par. 1403)

11 Sec. 3. Definitions. As used in this Act, unless the
12 context otherwise requires:

13 (a) the terms defined in Sections 3-101 through 3-121 of
14 The Public Utilities Act have the meanings ascribed to them in
15 that Act;

16 (b) "Department" means the Department of Commerce and
17 Economic Opportunity ~~Healthcare and Family Services~~;

18 (c) "energy provider" means any utility, municipal
19 utility, cooperative utility, or any other corporation or
20 individual which provides winter energy services;

21 (d) "winter" means the period from November 1 of any year
22 through April 30 of the following year.

23 (Source: P.A. 94-773, eff. 5-18-06; 94-793, eff. 5-19-06;
24 95-331, eff. 8-21-07.)

1 (305 ILCS 20/4) (from Ch. 111 2/3, par. 1404)

2 Sec. 4. Energy Assistance Program.

3 (a) The Department of Commerce and Economic Opportunity
4 ~~Healthcare and Family Services~~ is hereby authorized to
5 institute a program to ensure the availability and
6 affordability of heating and electric service to low income
7 citizens. The Department shall implement the program by rule
8 promulgated pursuant to the Illinois Administrative Procedure
9 Act. The program shall be consistent with the purposes and
10 objectives of this Act and with all other specific requirements
11 provided herein. The Department may enter into such contracts
12 and other agreements with local agencies as may be necessary
13 for the purpose of administering the energy assistance program.

14 (b) Nothing in this Act shall be construed as altering or
15 limiting the authority conferred on the Illinois Commerce
16 Commission by the Public Utilities Act to regulate all aspects
17 of the provision of public utility service, including but not
18 limited to the authority to make rules and adjudicate disputes
19 between utilities and customers related to eligibility for
20 utility service, deposits, payment practices, discontinuance
21 of service, and the treatment of arrearages owing for
22 previously rendered utility service.

23 (c) The Department of Commerce and Economic Opportunity
24 ~~Healthcare and Family Services~~ is authorized to institute an
25 outreach program directed at low-income minority heads of

1 households and heads of households age 60 or older. The
2 Department shall implement the program through rules adopted
3 pursuant to the Illinois Administrative Procedure Act. The
4 program shall be consistent with the purposes and objectives of
5 this Act and with all other specific requirements set forth in
6 this subsection (c).

7 (Source: P.A. 94-773, eff. 5-18-06; 94-793, eff. 5-19-06;
8 95-331, eff. 8-21-07; 95-532, eff. 8-28-07.)

9 (305 ILCS 20/6) (from Ch. 111 2/3, par. 1406)

10 Sec. 6. Eligibility, Conditions of Participation, and
11 Energy Assistance.

12 (a) Any person who is a resident of the State of Illinois
13 and whose household income is not greater than an amount
14 determined annually by the Department, in consultation with the
15 Policy Advisory Council, may apply for assistance pursuant to
16 this Act in accordance with regulations promulgated by the
17 Department. In setting the annual eligibility level, the
18 Department shall consider the amount of available funding and
19 may not set a limit higher than the amount established by the
20 federal Office of Management and Budget or 75% of the State
21 median income, whichever is greater ~~150% of the federal nonfarm~~
22 ~~poverty level as established by the federal Office of~~
23 ~~Management and Budget.~~

24 (b) Applicants who qualify for assistance pursuant to
25 subsection (a) of this Section shall, subject to appropriation

1 from the General Assembly and subject to availability of funds
2 to the Department, receive energy assistance as provided by
3 this Act. The Department, upon receipt of monies authorized
4 pursuant to this Act for energy assistance, shall commit funds
5 for each qualified applicant in an amount determined by the
6 Department. In determining the amounts of assistance to be
7 provided to or on behalf of a qualified applicant, the
8 Department shall ensure that the highest amounts of assistance
9 go to households with the greatest energy costs in relation to
10 household income. The Department shall include factors such as
11 energy costs, household size, household income, and region of
12 the State when determining individual household benefits. In
13 setting assistance levels, the Department shall attempt to
14 provide assistance to approximately the same number of
15 households who participated in the 1991 Residential Energy
16 Assistance Partnership Program. Such assistance levels shall
17 be adjusted annually on the basis of funding availability and
18 energy costs. In promulgating rules for the administration of
19 this Section the Department shall assure that a minimum of 1/3
20 of funds available for benefits to eligible households with the
21 lowest incomes and that elderly and disabled households are
22 offered a priority application period.

23 (c) If the applicant is not a customer of an energy
24 provider for winter energy services or an applicant for such
25 service, such applicant shall receive a direct energy
26 assistance payment in an amount established by the Department

1 for all such applicants under this Act; provided, however, that
2 such an applicant must have rental expenses for housing greater
3 than 30% of household income.

4 (d) If the applicant is a customer of an energy provider,
5 such applicant shall receive energy assistance in an amount
6 established by the Department for all such applicants under
7 this Act, such amount to be paid by the Department to the
8 energy provider supplying winter energy service to such
9 applicant. Such applicant shall:

10 (i) make all reasonable efforts to apply to any other
11 appropriate source of public energy assistance; and

12 (ii) sign a waiver permitting the Department to receive
13 income information from any public or private agency
14 providing income or energy assistance and from any
15 employer, whether public or private.

16 (e) Any qualified applicant pursuant to this Section may
17 receive or have paid on such applicant's behalf an emergency
18 assistance payment to enable such applicant to obtain access to
19 winter energy services. Any such payments shall be made in
20 accordance with regulations of the Department.

21 (f) The Department may, if sufficient funds are available,
22 provide additional benefits to certain qualified applicants:

23 (i) for the reduction of past due amounts owed to
24 energy providers; and

25 (ii) to assist the household in responding to
26 excessively high summer temperatures or energy costs.

1 Households containing elderly members, children, a person
2 with a disability, or a person with a medical need for
3 conditioned air shall receive priority for receipt of such
4 benefits.

5 (Source: P.A. 91-936, eff. 1-10-01; 92-690, eff. 7-18-02.)

6 (305 ILCS 20/8) (from Ch. 111 2/3, par. 1408)

7 Sec. 8. Program Reports.

8 (a) The Department of Natural Resources shall prepare and
9 submit to the Governor and the General Assembly reports on
10 September 30 biennially, beginning in 2003, evaluating the
11 effectiveness of the energy assistance and weatherization
12 policies authorized by this Act. The first report shall cover
13 such effects during the first winter during which the program
14 authorized by this Act, is in operation, and successive reports
15 shall cover effects since the issuance of the preceding report.

16 (1) Reports issued pursuant to this Section shall be
17 limited to, information concerning the effects of the
18 policies authorized by this Act on (1) the ability of
19 eligible applicants to obtain and maintain adequate and
20 affordable winter energy services and (2) changes in the
21 costs and prices of winter energy services for people who
22 do not receive energy assistance pursuant to this Act.

23 (2) The Department of Natural Resources shall by
24 September 30, 2002, in consultation with the Policy
25 Advisory Council, determine the kinds of numerical and

1 other information needed to conduct the evaluations
2 required by this Section, and shall advise the Policy
3 Advisory Council of such information needs in a timely
4 manner. The Department of Commerce and Economic
5 Opportunity ~~Healthcare and Family Services~~, the Department
6 of Human Services, and the Illinois Commerce Commission
7 shall each provide such information as the Department of
8 Natural Resources may require to ensure that the evaluation
9 reporting requirement established by this Section can be
10 met.

11 (b) On or before December 31, 2002, 2004, 2006, and 2007,
12 the Department shall prepare a report for the General Assembly
13 on the expenditure of funds appropriated for the programs
14 authorized under this Act.

15 (c) On or before December 31 of each year in 2004, 2006,
16 and 2007, the Department shall, in consultation with the
17 Council, prepare and submit evaluation reports to the Governor
18 and the General Assembly outlining the effects of the program
19 designed under this Act on the following as it relates to the
20 propriety of continuing the program:

21 (1) the definition of an eligible low income
22 residential customer;

23 (2) access of low income residential customers to
24 essential energy services;

25 (3) past due amounts owed to utilities by low income
26 persons in Illinois;

1 (4) appropriate measures to encourage energy
2 conservation, efficiency, and responsibility among low
3 income residential customers;

4 (5) the activities of the Department in the development
5 and implementation of energy assistance and related
6 policies and programs, which characterizes progress toward
7 meeting the objectives and requirements of this Act, and
8 which recommends any statutory changes which might be
9 needed to further such progress.

10 (d) The Department shall by September 30, 2002 in
11 consultation with the Council determine the kinds of numerical
12 and other information needed to conduct the evaluations
13 required by this Section.

14 (e) The Illinois Commerce Commission shall require each
15 public utility providing heating or electric service to compile
16 and submit any numerical and other information needed by the
17 Department of Natural Resources to meet its reporting
18 obligations.

19 (Source: P.A. 94-773, eff. 5-18-06; 94-793, eff. 5-19-06;
20 95-331, eff. 8-21-07.)

21 (305 ILCS 20/13)

22 (Section scheduled to be repealed on December 31, 2013)

23 Sec. 13. Supplemental Low-Income Energy Assistance Fund.

24 (a) The Supplemental Low-Income Energy Assistance Fund is
25 hereby created as a special fund in the State Treasury. The

1 Supplemental Low-Income Energy Assistance Fund is authorized
2 to receive moneys from voluntary donations from individuals,
3 foundations, corporations, and other sources, moneys received
4 pursuant to Section 17, and, by statutory deposit, the moneys
5 collected pursuant to this Section. The Fund is also authorized
6 to receive voluntary donations from individuals, foundations,
7 corporations, and other sources, as well as contributions made
8 in accordance with Section 507MM of the Illinois Income Tax
9 Act. Subject to appropriation, the Department shall use moneys
10 from the Supplemental Low-Income Energy Assistance Fund for
11 payments to electric or gas public utilities, municipal
12 electric or gas utilities, and electric cooperatives on behalf
13 of their customers who are participants in the program
14 authorized by Section 4 of this Act, for the provision of
15 weatherization services and for administration of the
16 Supplemental Low-Income Energy Assistance Fund. The yearly
17 expenditures for weatherization may not exceed 10% of the
18 amount collected during the year pursuant to this Section. The
19 yearly administrative expenses of the Supplemental Low-Income
20 Energy Assistance Fund may not exceed 10% of the amount
21 collected during that year pursuant to this Section.

22 (b) Notwithstanding the provisions of Section 16-111 of the
23 Public Utilities Act but subject to subsection (k) of this
24 Section, each public utility, electric cooperative, as defined
25 in Section 3.4 of the Electric Supplier Act, and municipal
26 utility, as referenced in Section 3-105 of the Public Utilities

1 Act, that is engaged in the delivery of electricity or the
2 distribution of natural gas within the State of Illinois shall,
3 effective January 1, 1998, assess each of its customer accounts
4 a monthly Energy Assistance Charge for the Supplemental
5 Low-Income Energy Assistance Fund. The delivering public
6 utility, municipal electric or gas utility, or electric or gas
7 cooperative for a self-assessing purchaser remains subject to
8 the collection of the fee imposed by this Section. The monthly
9 charge shall be as follows:

10 (1) \$0.40 per month on each account for residential
11 electric service;

12 (2) \$0.40 per month on each account for residential gas
13 service;

14 (3) \$4 per month on each account for non-residential
15 electric service which had less than 10 megawatts of peak
16 demand during the previous calendar year;

17 (4) \$4 per month on each account for non-residential
18 gas service which had distributed to it less than 4,000,000
19 therms of gas during the previous calendar year;

20 (5) \$300 per month on each account for non-residential
21 electric service which had 10 megawatts or greater of peak
22 demand during the previous calendar year; and

23 (6) \$300 per month on each account for non-residential
24 gas service which had 4,000,000 or more therms of gas
25 distributed to it during the previous calendar year.

26 (c) For purposes of this Section:

1 (1) "residential electric service" means electric
2 utility service for household purposes delivered to a
3 dwelling of 2 or fewer units which is billed under a
4 residential rate, or electric utility service for
5 household purposes delivered to a dwelling unit or units
6 which is billed under a residential rate and is registered
7 by a separate meter for each dwelling unit;

8 (2) "residential gas service" means gas utility
9 service for household purposes distributed to a dwelling of
10 2 or fewer units which is billed under a residential rate,
11 or gas utility service for household purposes distributed
12 to a dwelling unit or units which is billed under a
13 residential rate and is registered by a separate meter for
14 each dwelling unit;

15 (3) "non-residential electric service" means electric
16 utility service which is not residential electric service;
17 and

18 (4) "non-residential gas service" means gas utility
19 service which is not residential gas service.

20 (d) At least 45 days prior to the date on which it must
21 begin assessing Energy Assistance Charges, each public utility
22 engaged in the delivery of electricity or the distribution of
23 natural gas shall file with the Illinois Commerce Commission
24 tariffs incorporating the Energy Assistance Charge in other
25 charges stated in such tariffs.

26 (e) The Energy Assistance Charge assessed by electric and

1 gas public utilities shall be considered a charge for public
2 utility service.

3 (f) By the 20th day of the month following the month in
4 which the charges imposed by the Section were collected, each
5 public utility, municipal utility, and electric cooperative
6 shall remit to the Department of Revenue all moneys received as
7 payment of the Energy Assistance Charge on a return prescribed
8 and furnished by the Department of Revenue showing such
9 information as the Department of Revenue may reasonably
10 require. If a customer makes a partial payment, a public
11 utility, municipal utility, or electric cooperative may elect
12 either: (i) to apply such partial payments first to amounts
13 owed to the utility or cooperative for its services and then to
14 payment for the Energy Assistance Charge or (ii) to apply such
15 partial payments on a pro-rata basis between amounts owed to
16 the utility or cooperative for its services and to payment for
17 the Energy Assistance Charge.

18 (g) The Department of Revenue shall deposit into the
19 Supplemental Low-Income Energy Assistance Fund all moneys
20 remitted to it in accordance with subsection (f) of this
21 Section.

22 (h) (Blank).

23 On or before December 31, 2002, the Department shall
24 prepare a report for the General Assembly on the expenditure of
25 funds appropriated from the Low-Income Energy Assistance Block
26 Grant Fund for the program authorized under Section 4 of this

1 Act.

2 (i) The Department of Revenue may establish such rules as
3 it deems necessary to implement this Section.

4 (j) The Department of Commerce and Economic Opportunity
5 ~~Healthcare and Family Services~~ may establish such rules as it
6 deems necessary to implement this Section.

7 (k) The charges imposed by this Section shall only apply to
8 customers of municipal electric or gas utilities and electric
9 or gas cooperatives if the municipal electric or gas utility or
10 electric or gas cooperative makes an affirmative decision to
11 impose the charge. If a municipal electric or gas utility or an
12 electric cooperative makes an affirmative decision to impose
13 the charge provided by this Section, the municipal electric or
14 gas utility or electric cooperative shall inform the Department
15 of Revenue in writing of such decision when it begins to impose
16 the charge. If a municipal electric or gas utility or electric
17 or gas cooperative does not assess this charge, the Department
18 may not use funds from the Supplemental Low-Income Energy
19 Assistance Fund to provide benefits to its customers under the
20 program authorized by Section 4 of this Act.

21 In its use of federal funds under this Act, the Department
22 may not cause a disproportionate share of those federal funds
23 to benefit customers of systems which do not assess the charge
24 provided by this Section.

25 This Section is repealed effective December 31, 2013 unless
26 renewed by action of the General Assembly. The General Assembly

1 shall consider the results of the evaluations described in
2 Section 8 in its deliberations.

3 (Source: P.A. 94-773, eff. 5-18-06; 94-793, eff. 5-19-06;
4 94-817, eff. 5-30-06; 95-48, eff. 8-10-07; 95-331, eff.
5 8-21-07.)

6 Section 15. The Good Samaritan Energy Plan Act is amended
7 by changing Section 5 as follows:

8 (305 ILCS 22/5)

9 Sec. 5. Definitions. In this Act:

10 "Department" means the Department of Commerce and Economic
11 Opportunity ~~Healthcare and Family Services~~.

12 "LIHEAP" means the energy assistance program established
13 under the Energy Assistance Act.

14 (Source: P.A. 94-773, eff. 5-18-06; 95-331, eff. 8-21-07.)