

Bolstering Federal Energy Assistance and Weatherization With State Clean Energy Programs

BY LAURA SHIELDS

Introduction

Energy is an essential part of daily life. We need it to power our homes, businesses and the devices we rely on. But a growing number of Americans are being forced to decide between paying their utility bills and buying other necessities, like food and medicine. Households experiencing a high energy burden spend 6% or more of their income on energy costs.¹ A recent analysis shows that 25% of U.S. households have a high energy burden and that 13% face a severe energy burden by spending more than 10% of their income on energy. More than half of those living at or below 200% of the federal poverty level face a high or severe energy burden.² This analysis also shows that people of color and people with low incomes experience disproportionately high energy burdens.³

While high energy burdens are experienced by households in states across the U.S., they are particularly severe in the southeast. In 2018, the U.S. Department of Energy (DOE) reported that low-income residents in Alabama, Arkansas, Georgia, Mississippi and South Carolina “use 36% more electricity than the low-income national average.”⁴

To help identify energy burdens in specific areas within states, DOE created the Low-Income Energy Affordability Data (LEAD) Tool,⁵ which offers legislators and other policymakers user-friendly access to energy burden data at the state, county and city levels. Using the LEAD tool shows that energy burdens vary greatly among localities—even among those in the same state. For example, LEAD shows that while Mississippi has a statewide average energy burden of 4%, some counties have an average energy burden of 11%—nearly three times the state’s average.



The federal Low-Income Home Energy Assistance Program (LIHEAP) and Weatherization Assistance Program (WAP) have been in place for decades to help low-income customers pay energy bills and reduce energy costs. However, not all those who qualify for these programs are able to access assistance. Specifically, the need for energy assistance services under LIHEAP has outpaced federal funding levels. Historically, the program has reached less than 20% of those households qualifying for LIHEAP funds.⁶ Congress recently recognized the value of federal energy assistance programs by appropriating nearly \$900 million in supplemental LIHEAP funding as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.⁷

To help meet the growing need for energy assistance,⁸ states have enacted supplemental programs to support LIHEAP and WAP services, including utility-administered energy efficiency programs that target low-income customers. Recent state legislative efforts also reflect a growing interest in addressing the low-income energy burden and providing support beyond LIHEAP and WAP. State energy assistance programs generally focus on bill payment assistance for income-qualified individuals, while low-income energy efficiency programs are designed to deliver energy savings and reduce energy costs. Although not discussed in this paper in detail, states have also adopted policies focused on financing for energy efficiency projects.⁹ For example, Connecticut enacted a law establishing a “green bank” offering low-interest financing for energy efficiency and other clean energy upgrades.¹⁰

As states navigate the economic fallout from COVID-19, energy assistance and energy conservation programs will play a vital role in both the near and long term. With unemployment rates reaching a high of 14.7% in April 2020,¹¹ the number of income-stressed individuals will grow along with the need for policies that provide bill payment support and reduce energy costs.

This document provides an overview of federal energy assistance programs and discusses state statutory mechanisms for creating supplemental energy assistance and energy efficiency programs for low-income residents. It also highlights state legislative efforts to ensure low-income people have access to energy efficiency programs and renewable energy technologies.

Federal Programs Supporting Low-Income Energy Assistance and Efficiency Upgrades

Federal energy assistance and conservation programs formed in response to the energy crisis in the late 1970s and early 1980s serve as the backbone for state energy assistance programs administered today.

LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

LIHEAP, which was established by Congress in the early 1980s¹² and is administered by the U.S. Department of Health and Human Services (HHS), assists low-income households with energy bill payment. Under the program, HHS released \$3.03 billion and \$3.65 billion in federal block grant funding in fiscal years 2018 and 2019, respectively.¹³ HHS had released \$3.32 billion in funding for fiscal year 2020 prior to a \$900 million supplemental appropriation through the CARES Act enacted in response to COVID-19.¹⁴

WEATHERIZATION ASSISTANCE PROGRAM

WAP was created in 1976 as part of the Energy Conservation and Production Act¹⁵ and is administered by the U.S. Department of Energy. WAP provides weatherization funding to the nation’s states, territories and Native American tribes—supporting 8,500 jobs and delivering weatherization services to 35,000 homes per year.¹⁶ A DOE analysis of the program found that it saves households an average of at least \$283 per year on energy costs, with significant nonenergy benefits.¹⁷ For every \$1 invested in the program, there is a return of \$2.78 in nonenergy benefits, such as fewer sick days and reduced health care costs.¹⁸

Terms and Definitions

Energy burden: percentage of income spent on energy costs.

Energy assistance: programs that provide financial assistance through energy bill payment support, and education and outreach, among other initiatives.

Energy efficiency: programs designed to reduce energy consumption, thereby lowering energy costs. Such programs include those that support weatherization upgrades to an existing structure, installing efficient lightbulbs and appliances, or installing smart devices, among others.

STATE MANAGEMENT OF FEDERAL LIHEAP AND WAP FUNDS

In managing federal funding for energy assistance and weatherization, states are authorized to use 15% (up to 25% with a waiver from HHS) of LIHEAP funds to support their WAP programs.¹⁹ At least two states (Ohio and Pennsylvania) recently enacted legislation requiring that a certain percentage of LIHEAP funds be directed toward weatherization services, which can provide income-stressed individuals with long-term relief from high energy bills.²⁰ States are also able to direct LIHEAP and WAP funds toward programs that support increasing low-income household access to solar energy.²¹ California set aside a portion of its annual LIHEAP allocation in 2010 to support a pilot program that covered the costs of installing low-income solar energy systems,²² and Colorado received DOE approval to integrate rooftop solar into its WAP program.²³

Beyond LIHEAP and WAP—States Bolster Funding for Energy Assistance and Energy Efficiency

Many states developed their own low-income energy assistance and energy efficiency programs to assist more residents than would be possible through federally funded programs alone. At least 16 states—Arizona, California, Colorado, Connecticut, Illinois, Iowa, Michigan, Minnesota, Montana,²⁴ New Jersey, Ohio,²⁵ Oregon, Vermont,²⁶ Virginia, Washington and Wisconsin—have enacted laws to increase funds for state LIHEAP and WAP programs beyond what is provided at the federal level. States have deployed a variety of approaches, with some implementing mandatory utility contributions to support existing programs and others opting for voluntary mechanisms that allow utilities and individuals to contribute at their discretion.



MANDATORY UTILITY FUNDING FOR ENERGY ASSISTANCE

Several states—including California, Illinois, Michigan, Minnesota, New Jersey, Oregon, Washington, Wisconsin and Virginia—have mandatory utility contribution requirements to ensure continued funding for energy assistance programs independent of federal allocations. Minnesota law requires public utilities to fund and administer affordability programs for low-income customers who qualify for LIHEAP. The law further requires utilities to fund the programs at a base annual level of \$8 million, which increases upon the public utilities commission’s approval of rate increases.²⁷ Wisconsin funds its low-income assistance programs through state appropriations and mandatory low-income assistance fees collected by utilities through customer bills.²⁸ The state’s programs are designed to assist customers with payments, energy conservation and energy weatherization. New Jersey also administers a fund to assist low-income customers.²⁹ The state’s Universal Service Fund is primarily funded through a surcharge on natural gas and electricity bills,³⁰ with funding levels determined by the Board of Public Utilities. Oregon law requires that electric companies collect a set amount, determined annually, to assist low-income residents in paying electric bills.³¹ The law also limits the amount a customer may be required to pay for low-income assistance programs to no more than \$500 per month per site. These funds are directed to the Oregon Housing and Community Services Department’s Low-Income Electric Bill Payment Assistance Fund.

SUPPORTING ENERGY ASSISTANCE WITH VOLUNTARY CONTRIBUTIONS

Other states—including Arizona, Colorado, Connecticut and Iowa—generate supplemental funding through voluntary contributions. Arizona’s Neighbors Helping Neighbors fund is supported by contributions residents make when they file their state income taxes,³² and Iowa requires that every utility establish a fund supported by voluntary contributions to assist low-income customers with bill payment and weatherization services.³³ Under Iowa’s program, utilities must periodically notify customers of the opportunity to contribute to the fund and establish a committee to determine appropriate fund distribution.³⁴ In Connecticut, each electric distribution company, gas company and municipal utility is required to include in its monthly bills a request to add a donation to assist low-income customers in paying their energy bills.³⁵ The funds are managed and administered through Operation Fuel Inc., a statewide nonprofit.³⁶ Colorado also provides supplemental funding for energy assistance programs through optional contributions made by utility customers.³⁷

SUPPORTING ENERGY ASSISTANCE AND WEATHERIZATION WITH MULTIPLE FUNDING SOURCES

Some states deploy a combination of policy approaches to increase funding for energy assistance programs. For example, the California Alternate Rates for Energy (CARE) program, which is funded through non-bypassable rates,³⁸ requires the state’s utilities to offer discounts of 30% to 35% to low-income customers.³⁹ Additionally, California law requires that utilities provide customers the option of making voluntary contributions through their bill payment process.⁴⁰ Michigan law creates a non-lapsing low-income energy assistance fund to support low-income energy customers.⁴¹ State law also authorizes the public service commission to annually approve a non-bypassable surcharge—which must be the same across all customer classes.⁴² Participating utilities must list the charge as a separate line item on customer bills. Utilities can opt out of the program, but in doing so, they forfeit their right to shut off power to customers for nonpayment or delinquent payment from Nov. 1 through April 15.⁴³ Michigan also has an energy assistance program funded by state appropriations. Energy assistance must include services that enable participants to become self-sufficient, including bill payment and budgeting assistance and optimizing energy efficiency.⁴⁴

Illinois established a Supplemental Low-Income Energy Assistance special fund supported by state funds,⁴⁵ a mandatory energy assistance charge assessed on utility customer bills, a one-time payment by utility companies, and voluntary contributions made by individuals or foundations.⁴⁶ State law also provides for up to 10% of annual funding to go toward weatherization services.⁴⁷ Additionally, in 2019 the state enacted the Home Energy Affordability and Transparency Act, designed to increase information sharing with customers about costs associated with alternative (non-utility) electric and gas suppliers, including specific protections for those enrolled in low-income energy support services.⁴⁸ The bill also authorizes such alternative energy and gas suppliers to offer energy assistance programs.⁴⁹ Vermont administers a supplement-

tal state Home Weatherization Assistance Fund supported by gross tax receipts on fuel retail sales, funds allocated from the state's Oil Overcharge Fund, LIHEAP funds, grants supplied by the Vermont Low Income Trust for Electricity, and any other appropriated funds.⁵⁰ Efficiency Vermont, the state's efficiency utility, also invests in low-income energy assistance, weatherization and efficiency programs. Efficiency Vermont plans to spend more than \$15.5 million on such initiatives in 2018 through 2020.⁵¹ Efficiency Vermont's spending on these programs is partially funded by revenue generated from the state's participation in the Regional Greenhouse Gas Initiative.

Targeted Low-Income Energy Efficiency Programs

As states look to complement funding for LIHEAP and WAP, they are also turning to energy efficiency more broadly to support low-income customers in reducing energy consumption and lowering energy costs. This includes programs that ensure low-income customers have access to—and stand to benefit from—energy-efficient programs and technologies.

At least eight states—Maine, Massachusetts, Minnesota, New Hampshire, Nevada, New Mexico, Texas and Virginia—have enacted laws requiring utilities to spend a certain percentage of their energy efficiency funding on programs targeting low-income customers. For example, New Hampshire law requires that at least 20% of energy efficiency funds collected through a system-benefits charge be spent on low-income energy efficiency programs.⁵² Massachusetts law requires that at least 10% of program spending for electricity efficiency and 20% for natural gas efficiency be dedicated to low-income residential demand-side management and education programs.⁵³ Under New Mexico's utility energy efficiency program cost recovery requirements, at least 5%



of the amount received by the utility for program costs must be spent on energy efficiency programs for low-income customers.⁵⁴ In Maine, the state's efficiency utility is required to spend 10% of its energy efficiency and conservation funding or \$2.6 million (whichever is greater) on low-income residential programs.⁵⁵

In Texas, unbundled electric and transmission utilities are required to include “a targeted low-income energy efficiency program” in their plans to implement their energy efficiency targets.⁵⁶ Spending on such programs is reviewed and approved by the state public utility commission but must be at least 10% of the utility's energy efficiency budget for the year.⁵⁷ Virginia recently amended its Energy Efficiency Resource Standards, increasing its utility energy conservation targets and the amount of energy efficiency program spending that must be dedicated to services that benefit low-income, elderly, disabled or veteran customers from 5% to 15%.⁵⁸ In Minnesota, utilities are required provide energy efficiency programs for low-income customers, including low-income renters. In funding such programs, public utilities providing gas services are required to spend .4% of their average operating revenue from residential customers from the most recent three-year period and those providing electricity services are required to spend .2% of their operating revenue from residential customers.⁵⁹ Additionally, Nevada requires that 5% of utility energy efficiency program spending be directed toward low-income energy efficiency programs.⁶⁰

Some states also enacted laws designed to encourage utilities to broadly consider low-income customers in designing energy efficiency programs. For example, in 2018 the New Jersey General Assembly enacted AB 3723, which in part required the Board of Public Utilities to adopt energy and gas efficiency programs requiring public utilities in order to implement energy efficiency measures to encourage investment in cost-effective energy efficiency, “ensure universal access to energy efficiency measures, and serve the

needs of low-income communities.”⁶¹ The Board of Public Utilities issued an order in June 2020 directing utilities to implement energy efficiency programs in alignment with these objectives.⁶²

Other states encourage implementation of low-income energy efficiency programs through planning requirements. Connecticut requires electric and gas utilities to submit joint conservation and load management plans that may include programs benefitting low-income customers.⁶³ Iowa requires rate-regulated utilities to include in their five-year energy efficiency plans programs for low-income customers, including partnerships with community action agencies, in order to implement low-income programs at the community level.⁶⁴ In Maryland, electric utilities are required to submit plans every three years detailing programs to achieve statutory energy savings targets, including programs that address low-income communities.⁶⁵ The state public service commission is also statutorily required to submit an annual report to the General Assembly on the status of energy efficiency programs, including the impact of programs directed toward low-income customers.⁶⁶ In Massachusetts, electric distribution companies are statutorily required to submit energy efficiency plans every three years that include an analysis of how energy efficiency acquisitions will stabilize rates and increase affordability for low-income customers.⁶⁷ Illinois not only requires low-income programs in utility energy efficiency planning, but also requires utilities to contribute to energy assistance programs if they fail to meet efficiency targets more broadly. Electric utilities are required to submit as part of their energy conservation and demand response plans energy efficiency measures targeting low-income households.⁶⁸ Additionally, electric utilities that fail to meet their energy efficiency targets within two years are required to make contributions to LIHEAP totaling \$665,000 for large utilities and \$335,000 for medium-sized utilities.⁶⁹ The same LIHEAP contribution amounts are required for failing to meet energy efficiency requirements after three years.⁷⁰

Low-Income Access to Renewable Energy

Several states—including California, Colorado, Illinois, Oregon, New Jersey, Nevada and Virginia—and Washington, D.C., have established statutory requirements for developing distributed renewable energy programs targeting low-income communities, and in particular expanding access to distributed solar. Some states have accomplished this by enacting legislation focused on community or shared solar. Colorado’s community solar program was designed in part to “allow renters” and “low-income utility customers ... to own interests in solar generation facilities.”⁷¹ The state’s community solar law also requires utilities to include in their renewable energy acquisition plans “a proposal for including low-income customers as subscribers.”⁷² Oregon’s community solar program is designed to guarantee that 10% of the total generating capacity of the projects operating under the program be accessible to low-income residential customers. The state’s public utility commission is required to implement this provision and review and periodically adjust this low-income customer percentage requirement.⁷³ Virginia’s recently enacted shared solar legislation directed the State Corporation Commission to approve “a shared solar facility program of 150 megawatts with a minimum requirement of 30 percent low-income customers.”⁷⁴

Other states have focused on solar-for-all programs designed to encourage installation of solar panels among low-income households. Washington, D.C., enacted a solar-for-all program designed in part to increase access to solar energy among certain populations, including seniors and low-income people, by installing rooftop solar on single-family homes and developing community solar projects.⁷⁵ District law requires that the program deliver “the long-term financial benefits of solar energy production to at least 100,000 ... low-income households” with the goal of reducing low-income energy bills by 50% by 2032.⁷⁶ Illinois enacted a solar-for-all program to increase accessibility to solar energy among low-income communities through distributed solar and community solar projects. Importantly, contracts under the program must ensure the economic benefits of the program “flow directly to the program participants.”⁷⁷ The legislature established a goal that at least 25% of program incentives be dedicated to projects located in environmental justice communities.⁷⁸ Under Nevada’s “expanded solar access program” requirements, the state utility commission must adopt implementing regulations that in part require that 25% of program capacity be reserved for low-income customers and that the same amount be reserved for disadvantaged businesses and nonprofit organizations.⁷⁹

California's Multifamily Affordable Housing Solar Roofs Program is designed to provide incentives for installing solar energy systems on multifamily affordable housing properties through 2030, with a goal of installing 300 megawatts of solar energy.⁸⁰ The law was crafted to ensure that low-income tenants receive the benefits of solar by directing the public utilities commission to require that energy generated by a project under the program "be primarily used to offset electricity usage by low-income tenants" and that contracts for systems owned by third parties prevent additional system costs from being "passed on to low-income tenants at properties receiving incentives."⁸¹

In 2020 New Jersey lawmakers introduced legislation⁸² to implement a comprehensive clean energy equity policy designed to deliver community solar, energy efficiency and energy storage technologies to low-income communities. Of note, this bill takes an outcomes-based approach (discussed in further detail below) by setting specific targets for deploying clean energy technologies that benefit overburdened communities. In particular, SB 2484 would create an Office of Clean Energy Equity tasked with delivering 400 MW of storage in overburdened communities by 2030.⁸³ The office would also be responsible for developing programs providing on-site community solar that benefit 250,000 or 35% of low-income households located in the state, whichever is greater, by 2030, with the objective of lowering their energy burden to below 6% of household income.⁸⁴ In assessing energy burden, the office would rely on the DOE's Low-Income Energy Affordability Data Tool.⁸⁵



Outcomes-Driven Policymaking

A growing number of states are enacting legislation focused on reducing energy burden by a measurable amount rather than prescribing funding levels. As part of its 2019 comprehensive clean energy legislation,⁸⁶ Washington enacted targeted provisions to increase funding for energy assistance programs supporting low-income customers. In addition to requiring that electric utilities make programs and funding available to low-income households, the new law requires utilities to report on how the programs reduce the energy burden in such households, including an assessment of funding levels necessary to meet 60% of the energy assistance need or increase 2018 levels by 15%, whichever is greater, by 2030 and 90% of the energy assistance need by 2050.⁸⁷ In 2020, Virginia enacted comprehensive clean energy legislation that in part directed the state's corporation commission to adopt rules and regulations necessary to fund a Percentage of Income Payment Program (PIPP) through a non-bypassable universal service fee.⁸⁸ The new law requires that the commission establish the fee amount at a level that will achieve the PIPP's objectives, including reducing the energy burden experienced by low-income households by 6% to 10%, depending on the household's heating source.⁸⁹

States have also shown an increasing interest in incorporating outcomes-based energy efficiency mechanisms into broader climate and clean energy legislation to ensure that the benefits of efficient technologies reach low-income customers. At least one state recently enacted provisions to measure the results of increased spending targeting low-income customers as part of its comprehensive climate and clean energy policy. New York's Climate Leadership and Community Protection Act of 2019⁹⁰ requires that disadvantaged communities receive at least 35% "of the overall benefits of spending" on programs focusing on clean energy, energy efficiency, low-income energy assistance, pollution reduction and workforce development, among others. Additionally, the law requires that in implementing the state's energy conservation target, the state public utilities commission include mechanisms for ensuring that at least 25% of "invest-

ments in residential energy efficiency, including multi-family housing, can be invested in a manner which will benefit disadvantaged communities.”⁹¹

Using Income Thresholds to Expand Energy Assistance and Clean Energy Programs

In designing programs that bolster LIHEAP and WAP, states have taken varied approaches to establishing income eligibility thresholds. In some cases, states have expanded thresholds to assist residents who may not be eligible to receive federal funds but who may still require support. Additionally, while some states have clearly defined income thresholds in statute, others leave it to utility commissions or state agencies to determine what income levels qualify.

LIHEAP allows states to set income eligibility requirements at either 60% of the state median income or 150% of federal poverty guidelines, whichever is greater; states must also include in their programs those with incomes at or below 110% of the federal poverty guidelines.⁹² The LIHEAP fiscal year 2020 eligibility requirements show that a handful of states have a 60% median income threshold that exceeds 200% of the federal poverty level.⁹³ Based on the FY 2021 figures for each state, eligibility thresholds are set between \$20,000 and \$40,000 for single-person households, with the eligibility range widening to between \$39,000 and \$76,000 for families of four.⁹⁴ Residents with incomes at or below 200% of the poverty guidelines are eligible for the WAP program.⁹⁵ For 2020, the DOE guidance set eligibility for most states at \$25,520 for a single-person residence and \$52,400 for a family of four.⁹⁶

ENERGY ASSISTANCE

In designing their energy assistance programs, some states established statutory income thresholds to cover residents with incomes at or below 200% of the federal poverty level. California’s CARE program targets households with income levels at or below 200% of the federal poverty level.⁹⁷ In Colorado, households must be at or below 185% of the federal poverty line to qualify for low-income energy assistance, and the law establishes priority for households with individuals who are elderly, disabled, blind or receiving job assistance.⁹⁸ Washington directed state regulators to establish income thresholds for the state’s low-income energy assistance programs, with some statutory parameters. Qualifying low-income households must be at or below 80% of the area median income or 200% of the federal poverty level, whichever is higher.⁹⁹ As part of its response to COVID-19, Illinois temporarily expanded income eligibility for LIHEAP funds from 150% to 200% of the poverty level until June 30, 2021.¹⁰⁰

In contrast, Wisconsin set the income threshold for its assistance programs at 60% or below the statewide median income in alignment with LIHEAP requirements.¹⁰¹ Arizona uses its Neighbors Helping Neighbors fund to target individuals with incomes lower than the LIHEAP guidelines; eligible individuals are those with incomes at or below 125% of the federal poverty level, or those who are 60 or older or have a disability and an income at or below 150% of the federal poverty level.¹⁰²

ENERGY EFFICIENCY

Some states have designed their energy efficiency program income thresholds to complement and expand upon income requirements for LIHEAP and WAP. In Illinois, low-income demand response and energy conservation measures target those “with incomes at or below 80% of area median income.”¹⁰³ In Virginia, the state’s new clean energy law defines “low-income utility customer” to include those with household incomes at or below 80% “of the median income of the locality in which the customer resides.”¹⁰⁴ New York’s new clean energy program requirements define disadvantaged communities as those “that bear burdens of negative public health effects, environmental pollution, impacts of climate change, and possess certain socioeconomic criteria, or comprise high-concentrations of low- and moderate-income households.”¹⁰⁵ And while Minnesota’s statutory definition of low-income programs doesn’t provide an income threshold, it does expressly extend those programs to “low-income renters.”¹⁰⁶ Maryland also extends its energy efficiency requirements to low- and moderate-income communities.¹⁰⁷



SOLAR PROGRAMS

A handful of states have also established income eligibility requirements for their low-income distributed renewable energy programs, with most programs having eligibility thresholds at 80% or below area median income. Examples of these include the solar-for-all programs in Washington, D.C., and Illinois;¹⁰⁸ the expanded solar access program in Nevada;¹⁰⁹ and the recently-enacted shared solar law in Virginia.¹¹⁰ California takes a somewhat unique approach to defining the income thresholds for its multifamily affordable-housing solar-roofs program. Under the program, qualified properties must be located in disadvantage communities—those disproportionately impacted by environmental pollution or that have concentrations people with low income, high rent burden, high unemployment, or low levels of educational attainment or home ownership¹¹¹—or those with 80% of households at or below 60% of the area median income.¹¹²

Conclusion

For decades states have enacted laws designed to expand on federal energy assistance and weatherization programs. Pandemic-related unemployment levels peaking at the end of April 2020¹¹³ increased the need for durable long-term solutions to reduce energy costs and fill in gaps left by federal assistance programs. State legislatures have increasingly looked to energy efficiency as a mechanism for reducing energy costs among low-income populations, and many have created a framework for innovative programs that establish specific requirements for low-income customers and expand income eligibility. Energy efficiency and distributed energy programs targeting low-income customers will likely continue to play a role as states design their clean energy policies to address inequities in access to technologies and account for the burdens experienced by disadvantaged communities.

Endnotes

- 1 American Council for an Energy-Efficient Economy, How High Are Household Energy Burdens? An Assessment of National and Metropolitan Energy Burden across the United States (Sept. 2020), <https://www.aceee.org/sites/default/files/pdfs/u2006.pdf>
- 2 Id.
- 3 Id.
- 4 U.S. Department of Energy, Low-Income Household Energy Burden Varies Among States—Efficiency Can Help in All of Them (Dec. 2018), https://www.energy.gov/sites/prod/files/2019/01/f58/WIP-Energy-Burden_final.pdf
- 5 U.S. Department of Energy, Low-Income Energy Affordability Data (LEAD) Tool, <https://www.energy.gov/eere/spsc/maps/lead-tool>
- 6 LIHEAP Clearinghouse, Leveraging and LIHEAP: Providing Non-Federal Funds for Energy Assistance (Feb. 2016), <https://liheapch.acf.hhs.gov/sites/default/files/webfiles/docs/leveraging.pdf>
- 7 The CARES Act of 2020, Pub. L. No. 116-136, <https://www.congress.gov/bill/116th-congress/house-bill/748>; see also U.S. Department of Health and Human Services, Office of Community Services, Letter to States, Tribes and Territories Re: CARES Act Supplemental FY 2020 LIHEAP Funding Release, <https://www.acf.hhs.gov/ocs/resource/liheap-dcl-2020-10-cares-act-supplemental-funding-release-ffy20>
- 8 U.S. Department of Health and Human Services, LIHEAP Clearinghouse, Leveraging Nonfederal Resources for LIHEAP, <https://liheapch.acf.hhs.gov/pubs/820.htm>.
- 9 See generally Greg Leventis, Chris Kramer, Lisa C Schwartz, Energy Efficiency Financing for Low- and Moderate-Income Households: Current State of the Market, Issues and Opportunities (Aug. 2017), <https://emp.lbl.gov/publications/energy-efficiency-financing-low-and>
- 10 Conn. Gen. Stat. § 16-245n; see also Connecticut Green Bank, <https://ctgreenbank.com/programs/homeowners/>
- 11 U.S. Bureau of Labor Statistics, Unemployment rate rises to record high 14.7 percent in April 2020 (May 13, 2020), <https://fas.org/sgp/crs/misc/RL31865.pdf>
- 12 U.S. Congressional Research Service, LIHEAP: Program and Funding (June 22, 2018), https://liheapch.acf.hhs.gov/sites/default/files/webfiles/docs/History_of_LIHEAP.pdf (The Low-Income Home Energy Assistance Program was established through Title XXVI of the Omnibus Budget Reconciliation Act of 1981). See also LIHEAP Clearinghouse, The History of LIHEAP, https://liheapch.acf.hhs.gov/sites/default/files/webfiles/docs/History_of_LIHEAP.pdf (LIHEAP replaced the Low Income Energy Assistance Program established through the 1980 Crude Oil Windfall Profits Tax Act).
- 13 U.S. Department of Health and Human Services, LIHEAP and WAP Funding, <https://liheapch.acf.hhs.gov/Funding/funding.htm>
- 14 Id.
- 15 U.S. Department of Energy, Weatherization Rules and Regulations Resources, <https://www.energy.gov/eere/wap/weatherization-management-resources/weatherization-assistance-program-updates-1>
- 16 U.S. Department of Energy, Weatherization Works! (June 2019), <https://www.energy.gov/sites/prod/files/2019/07/f64/WAP-Fact-Sheet-2019.pdf>
- 17 Id.
- 18 Id.
- 19 LIHEAP Clearinghouse, LIHEAP 101 What You Need to Know, at 6 (March 2014), <https://liheapch.acf.hhs.gov/pubs/LCIssueBriefs/FinalLIHEAPPrimer.pdf> (“LIHEAP funds may also be used for two elective programs. First, according to the statute, up to 15 percent of a grantee’s allocation can be dedicated to providing ‘low-cost residential weatherization and other cost-effective energy-related home repair.’ If a grantee wants to increase the percentage up to 25 percent, it can request a waiver from HHS. The majority of state grantees allocate funds to low-income weatherization and about half of the states allocate 15 percent year after year. Others choose a flat amount each year, a handful receive the 25 percent waiver, and several provide no funds for weatherization. In many states, LIHEAP weatherization funds are spent in coordination with the Department of Energy’s Weatherization Assistance Program.”).

- 20 See Ohio H.B. 6 (2019), <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-6> (requiring the director of development services to commit 25% of federal LIHEAP funds to weatherization services); see also Pa. S.B. 712 (2019), <https://www.legis.state.pa.us/cfdocs/billinfo/billinfo.cfm?sind=0&year=2019&body=S&type=B&bn=712> (requiring that at least 15% of LIHEAP funds be dedicated to weatherization).
- 21 Grid Alternatives, Vote Solar, Center for Social Inclusion, Low-Income Solar Policy Guide, Federal Energy Assistance Programs (2016), <https://www.lowincomesolar.org/toolbox/federal-energy-assistance-programs/#:~:text=For%20approval%20to%20use%20LIHEAP,their%20homes%20more%20energy%20efficient.>
- 22 Id.
- 23 Colorado Energy Office, Rooftop Solar PV (last accessed Oct. 12, 2020), <https://energyoffice.colorado.gov/rooftop-solar-pv#:~:text=The%20CEO%20Weatherization%20Assistance%20Program,clients%20on%20a%20limited%20basis.&text=WAP%20anticipates%20being%20able%20to,annually%20by%20reducing%20electricity%20costs>
- 24 Mont. Code Ann. 69-8-402.
- 25 Ohio Rev. Code 4928.51.
- 26 Vt. Stat. Ann. tit. 33 § 2501; § 2607.
- 27 Minn. Stat. § 216B.16.
- 28 Wis. Stat. Ann. 16.957.
- 29 N.J. Rev. Stat. § 48: 3-60.
- 30 New Jersey Department of Community Affairs, Universal Service Fund (last accessed October 7, 2020), <https://www.nj.gov/dca/divisions/dhcr/offices/usf.html>
- 31 Or. Rev. Stat. § 757.612.
- 32 Ariz. Rev. Stat. § 43-616.
- 33 Iowa Code § 476.66.
- 34 Ibid.
- 35 Ct. Gen. Stat. § 16a-41h.
- 36 Ibid.
- 37 Colo. Rev. Stat. 40-8.7-104; 105.
- 38 See Cal. Pub. Util. Code § 381.
- 39 Cal. Pub. Util. Code § 739.1; see also California Public Utilities Commission, CARE/FERA Programs, <https://www.cpuc.ca.gov/lowincomerates/>
- 40 Cal. Pub. Util. Code § 381.
- 41 Mich. Comp. Laws § 460.9t.
- 42 Id.
- 43 Id.
- 44 Mich. Comp. Laws § 400.1233.
- 45 305 Ill. Comp. Stat. § 20/17.
- 46 305 Ill. Comp. Stat. § 20/13.
- 47 Id.
- 48 Ill. S.B. 651 (2020), <https://www.ilga.gov/legislation/fulltext.asp?DocName=10100SB0651enr&GA=101&SessionId=108&DocTypeId=SB&LegID=116588&DocNum=651&GAID=15&pecSess=&Session=>
- 49 Id.
- 50 Vt. Stat. Ann. tit. 33 § 2501.
- 51 Efficiency Vermont, Triennial Plan 2018-2020 (April 2019), <https://www.efficiencyvermont.com/Media/Default/docs/plans-reports-highlights/2018/2019-update-2018-2020-triennial.pdf>
- 52 See N.H. Rev. Stat. Ann. § 374-F:3.
- 53 Mass. Gen. Laws ch. 25 § 19; see also Massachusetts Department of Energy Resources, Massachusetts De-

partment of Housing and Community Development, Affordable Access to Clean and Efficient Energy, Final Working Group Report, p. 10 (Apr. 2017), <https://www.mass.gov/files/documents/2017/09/12/aacee-report.pdf>

54 N.M. Stat. § 62-17-6.

55 Me. Stat. tit 35-A, § §10110.

56 Tex. Util. Code § 39.905(f).

57 Ibid.

58 Va. S.B. 851 (2020), <https://lis.virginia.gov/cgi-bin/legp604.exe?201+ful+CHAP1194>

59 Minn. Stat. § 216B.241.

60 Nev. Rev. Stat. § 704.7836 (Note that this requirement applies unless the public utilities commission determines that it is not cost effective.)

61 Codified at N.J. Rev. Stat. § 48:3-87.

62 N.J. Pub. Util. Comm’n Or. Re Docket Nos. QO1901040, QO19060748, QO17091004 (June 6, 2020), <https://www.nj.gov/bpu/pdf/boardorders/2020/20200610/8D--Order%20Directing%20the%20Utilities%20to%20Establish%20Energy%20Efficiency%20and%20Peak%20Demand%20Reduction%20Programs.pdf>

63 Conn. Gen. Stat. § 16-245m.

64 Iowa Code § 476.6(15).

65 Md. Code, Pub. Util. § 7-211.

66 Id.

67 Mass. Gen. Laws ch. 25 § 21.

68 220 Ill. Comp. Stat. § 5/8-103(f).

69 20 Ill. Comp. Stat. § 5/8-103(i).

70 Ibid.

71 Colo. Rev. Stat. § 40-2-127.

72 Id.

73 Or. Rev. Stat. § 757.386.

74 Va. Code Ann. § 56-594.3

75 D.C. Department of Energy & Environment, Solar for All, <https://doee.dc.gov/solarforall> (last accessed Oct. 19, 2020).

76 D.C. Code § 8-1774.16.

77 20 Ill. Comp. Stat. § 3855/1-56 (This benefit requirement does not apply to “low-income multi-family family housing where the low-income customer does not directly pay for electricity.”).

78 20 Ill. Comp. Stat. § 3855/1-56(b)(2)(A)-(B).

79 Nev. Rev. Stat. § 704.7865.

80 Cal. Pub. Util. § 2870.

81 Id.

82 N.J. S.B. 2484 (pending, 2020), https://www.njleg.state.nj.us/2020/Bills/S2500/2484_I1.PDF

83 Id.

84 Id.

85 Id.

86 Wash. S.B. 5116 (2019), <https://app.leg.wa.gov/billsummary?BillNumber=5116&Initiative=false&Year=2019>

87 Wash. Rev. Code § 19.405-120.

88 Va. S.B. 851 (2020).

89 Id.

90 N.Y. S.B. 6599 (2019), <https://legislation.nysenate.gov/pdf/bills/2019/S6599>

91 Id.

92 42 U.S.C. § 8624(b)(2)(B).

- 93 LIHEAP Clearinghouse, State Eligibility Limits for FFY 2020, https://liheapch.acf.hhs.gov/delivery/eligibility_graph.htm
- 94 See U.S. Department of Health and Human Services, Administration for Children and Families, Low Income Home Energy Assistance Program Information Memorandum, Attachment 1 (May 29, 2020), https://www.acf.hhs.gov/sites/default/files/ocs/comm_liheap_im2002smi_fy2021.pdf
- 95 42 U.S.C. § 6862(7).
- 96 U.S. Department of Energy, Weatherization Program Notice 20-3: 2020 Poverty Income Guidelines and Definition of Income (Feb. 2020), https://www.energy.gov/sites/prod/files/2020/05/f74/wpn-20-3_v2_0.pdf
- 97 Cal. Pub. Util. Code § 739.1.
- 98 Colo. Rev. Stat. § 40-8.7-109.
- 99 Rev. Code Wash. 19.405.020.
- 100 Ill. H.B. 357 (2020), <https://ilga.gov/legislation/billstatus.asp?DocNum=357&GAID=15&GA=101&DocTypeID=HB&LegID=114556&SessionID=109&SpecSess=1>
- 101 Wis. Stat. § 16.957 (defining “low-income household” to mean “any individual or group of individuals in this state who are living together as one economic unit and for whom residential electricity is customarily purchased in common or who make undesignated payments for electricity in the form of rent, and whose household income is not more than 60 percent of the statewide median household income.”).
- 102 Ariz. Rev. Stat. § 46-741.
- 103 220 Ill. Comp. Stat. § 5/8-103(f).
- 104 Va. S.B. 851 (2020).
- 105 N.Y. S.B. 6599 (2019).
- 106 Minn. Stat. § 216B.241.
- 107 Md. Code, Pub. Util. § 7-211.
- 108 D.C. Code § 8-1774.16; see also 20 Ill. Comp. Stat. § 3855/1-56.
- 109 Nev. Rev. Stat. § 704.7865.
- 110 Va. Code Ann. § 56-594.3 (defining “low-income customer” to mean “any person or household whose income is no more than 80 percent of the median income of the locality in which the customer resides. The median income of the locality is determined by the U.S. Department of Housing and Urban Development.”).
- 111 Cal. Hlth. & S. Code § 39711.
- 112 Cal. Pub. Util. Code § 2870.
- 113 U.S. Bureau of Labor Statistics, Unemployment rate rises to record high 14.7 percent in April 2020 (May 13, 2020), <https://www.bls.gov/opub/ted/2020/unemployment-rate-rises-to-record-high-14-point-7-percent-in-april-2020.htm#:~:text=Unemployment%20rate%20rises%20to%20record%20high%2014.7%20percent%20in%20April%202020&text=The%20unemployment%20rate%20in%20April,available%20back%20to%20January%201948>

NCSL Contact:

Laura Shields

Policy Associate, Energy Program

303-856-1480

laura.shields@ncsl.org



Tim Storey, Executive Director

7700 East First Place, Denver, Colorado 80230, 303-364-7700 | 444 North Capitol Street, N.W., Suite 515, Washington, D.C. 20001, 202-624-5400

ncsl.org

© 2020 by the National Conference of State Legislatures. All rights reserved.

