Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Technology, Energy & Communications Committee

HB 1676

Brief Description: Allowing public utility districts to disburse low-income energy assistance contributions.

Sponsors: Representatives Fromhold, Curtis, Moeller, Orcutt, Wallace, Dunn, Santos and Simpson.

Brief Summary of Bill

 Allows public utility districts to retain voluntary contributions to assist low-income customers and disburse assistance funds to those who qualify.

Hearing Date: 2/6/07

Staff: Scott Richards (786-7156).

Background:

Public Utility Districts

Public utility districts are municipal corporations authorized under Washington statute to conserve the water and power resources of Washington and to supply public utility service, including water and electricity for all uses.

Low Income Heating and Energy Assistance Program

The Low Income Heating and Energy Assistance Program (LIHEAP) program is a federally funded block grant that provides money to help low income households make home heating more affordable, avoid shutoff of utility services during the winter and maintain a warm, safe and healthy environment for households with young children, the elderly, and the disabled. Energy Assistance Program payments are made to energy companies in most cases, or directly to clients to help pay a portion of home heating costs.

Voluntary contributions to assist low-income customers

House Bill Analysis - 1 - HB 1676

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

As part of its regular customer billings, a public utility district (district) may request voluntary contributions to assist qualified low-income residential customers of the district in paying their electricity, water and sewer bills.

All funds received by the district in response to such requests are transmitted to the Department of Community, Trade, and Economic Development (Department) which administers federally funded energy assistance programs for the state in the district's service area or to a charitable organization within the district's service area. These funds are used solely to supplement assistance to low-income residential customers of the district in paying their electricity bills.

The Department or charitable organization is responsible for determining which of the district's customers are qualified for low-income assistance and the amount of assistance to be provided to those who are qualified.

Disbursal of Voluntary Contributions

All assistance provided by these voluntary contributions is disbursed by the Department or charitable organization. Where possible, the public utility district will be paid on behalf of the customer. When direct vendor payment is not feasible, a check will be issued jointly payable to the customer and the public utility district.

The availability of funds for assistance to a district's low-income customers as a result of voluntary contributions shall not reduce the amount of assistance for which the district's customers are eligible under the federally funded energy assistance programs administered by the grantee of the Department within the district's service area.

Summary of Bill:

Voluntary contributions to assist low-income customers

A public utility district is allowed to retain funds received, determine which of the district's customers are qualified for low-income assistance, calculate the amount of assistance to be provided to those who are qualified, and disburse assistance funds to those who qualify.

Appropriation: None.

Fiscal Note: Requested on February 5, 2007.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.