

**ENERGY ASSISTANCE PROGRAM OVERSIGHT**

1998 GENERAL SESSION

STATE OF UTAH

**Sponsor: Howard C. Nielson**

AN ACT RELATING TO HUMAN SERVICES AND COMMUNITY AND ECONOMIC DEVELOPMENT; TRANSFERING THE ENERGY ASSISTANCE PROGRAM FROM THE DEPARTMENT OF HUMAN SERVICES TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; AND MAKING TECHNICAL CHANGES.

This act affects sections of Utah Code Annotated 1953 as follows:

RENUMBERS AND AMENDS:

**9-12-101**, (Renumbered from 62A-10-101, as enacted by Chapter 1, Laws of Utah 1988)

**9-12-102**, (Renumbered from 62A-10-102, as enacted by Chapter 1, Laws of Utah 1988)

**9-12-103**, (Renumbered from 62A-10-103, as enacted by Chapter 1, Laws of Utah 1988)

**9-12-104**, (Renumbered from 62A-10-104, as enacted by Chapter 1, Laws of Utah 1988)

**9-12-105**, (Renumbered from 62A-10-105, as enacted by Chapter 1, Laws of Utah 1988)

**9-12-106**, (Renumbered from 62A-10-106, as enacted by Chapter 1, Laws of Utah 1988)

**9-12-201**, (Renumbered from 62A-10-201, as last amended by Chapter 242, Laws of Utah 1988)

**9-12-202**, (Renumbered from 62A-10-202, as enacted by Chapter 1, Laws of Utah 1988)

**9-12-203**, (Renumbered from 62A-10-203, as enacted by Chapter 1, Laws of Utah 1988)

**9-12-204**, (Renumbered from 62A-10-204, as enacted by Chapter 1, Laws of Utah 1988)

*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **9-12-101**, which is renumbered from Section 62A-10-101 is renumbered and amended to read:

**CHAPTER 12. ENERGY ASSISTANCE PROGRAMS****Part 1. Home Energy Assistance**

**[62A-10-101]. 9-12-101. Findings -- Purpose.**

1 The state [of Utah] finds that it is in the public interest to promote voluntary charitable  
2 public assistance programs such as REACH and SHARE. In order to foster the voluntary giving  
3 of monies to assist in home energy costs, the state [of Utah] establishes a policy and program to  
4 match, to the extent of funds appropriated under this chapter, money raised by voluntary charitable  
5 programs for assistance in meeting home energy costs for certain low-income families and  
6 individuals.

7 Section 2. Section **9-12-102**, which is renumbered from Section 62A-10-102 is  
8 renumbered and amended to read:

9 **[62A-10-102]. 9-12-102. Assistance to low-income persons -- Contracts --**  
10 **Administration.**

11 (1) The department may assist certain low-income families and individuals in the payment  
12 of home energy costs. Assistance given shall be made available to households throughout the  
13 state, irrespective of the source of household energy supply.

14 (2) The department may contract with one or more public or private agencies to distribute  
15 and administer these funds subject to the criteria established by the department.

16 Section 3. Section **9-12-103**, which is renumbered from Section 62A-10-103 is  
17 renumbered and amended to read:

18 **[62A-10-103]. 9-12-103. Eligibility criteria.**

19 The department shall establish eligibility criteria for recipients of money appropriated  
20 under this chapter. Recipients must demonstrate that two or more of the following conditions  
21 apply to them:

- 22 (1) their family or individual incomes are less than the federal poverty level;  
23 (2) they are willing to make a good faith effort to pay their home energy bills on a regular  
24 basis;  
25 (3) they have special medical expenses or other emergency circumstances; or  
26 (4) they have suffered extended unemployment.

27 Section 4. Section **9-12-104**, which is renumbered from Section 62A-10-104 is  
28 renumbered and amended to read:

29 **[62A-10-104]. 9-12-104. Guidelines for private contributions -- Assuring**  
30 **equitable distribution.**

31 The department shall develop guidelines to encourage maximum participation by private

1 contributors to home energy assistance programs, and to assure equitable statewide distribution  
2 of assistance to eligible customers of all vendors of energy services.

3 Section 5. Section **9-12-105**, which is renumbered from Section 62A-10-105 is  
4 renumbered and amended to read:

5 ~~[62A-10-105].~~ **9-12-105. Payment method.**

6 All direct payments for home energy costs shall be made jointly to the responsible  
7 householder and to the vendor of energy services to whom the family or individual served owes  
8 a payment.

9 Section 6. Section **9-12-106**, which is renumbered from Section 62A-10-106 is  
10 renumbered and amended to read:

11 ~~[62A-10-106].~~ **9-12-106. Appropriation -- Matching contributions required for**  
12 **expenditure -- Expenditure for administration prohibited.**

13 Appropriations made for the purposes of this chapter shall be nonlapsing, and may be  
14 expended to assist households which are customers of regulated and nonregulated utilities only  
15 when the money expended is matched one dollar for every two dollars of private contributions.  
16 Money appropriated under this section may not be expended for administrative costs incurred by  
17 the state or by a public or private contracting agency.

18 Section 7. Section **9-12-201**, which is renumbered from Section 62A-10-201 is  
19 renumbered and amended to read:

20 **Part 2. Moratorium for Involuntary Termination of Utility Services**

21 ~~[62A-10-201].~~ **9-12-201. Moratorium on involuntary termination for**  
22 **nonpayment of utility bills -- Eligibility criteria -- Department to establish and certify.**

23 (1) The department shall establish a program for a seasonal moratorium for involuntary  
24 termination for nonpayment by residential customers of essential utility bills. An essential utility  
25 is a utility regulated by the Public Service Commission under Title 54, which is in the business of  
26 the retail distribution of electricity or natural gas. A residential customer is a customer defined as  
27 in a residential class by the Public Service Commission.

28 (2) A residential customer must meet the following criteria to qualify for the program:

29 (a) gross household income is less than 125% of the federal poverty level or the  
30 household has suffered a medical or other emergency, loss of employment, or is experiencing other  
31 circumstances which have resulted in a substantial loss of income;

(b) the customer has made application to public and private energy assistance programs;  
(c) the customer is willing to make a good faith effort to pay these utility bills on a consistent basis; and  
(d) any additional information required by the department.

(3) A residential customer may file with a local department office an affidavit attesting eligibility under the criteria in Subsection (2). The department shall certify that the customer has met the eligibility requirements and forward a copy of the affidavit to the effected utility.

Section 8. Section **9-12-202**, which is renumbered from Section 62A-10-202 is renumbered and amended to read:

**[62A-10-202].        9-12-202. Contest of customer's eligibility -- Department to determine case.**

When a utility contests the eligibility of any residential customer to participate in the program, the executive director or his designee shall act as an administrative law judge to make a determination on the case.

Section 9. Section **9-12-203**, which is renumbered from Section 62A-10-203 is renumbered and amended to read:

**[62A-10-203].        9-12-203. Premoratorium customers' eligibility for moratorium -- Criteria.**

A residential customer that has had service of an essential utility discontinued for nonpayment prior to the time the moratorium takes effect shall have service restored and continued during the period of the moratorium if the customer meets the requirements of Section ~~[62A-10-201]~~ 9-12-201 and the customer has entered into a deferred payment agreement with the utility as to arrearages.

Section 10. Section **9-12-204**, which is renumbered from Section 62A-10-204 is renumbered and amended to read:

**[62A-10-204].        9-12-204. Effective period of moratorium -- Extension by rule.**

The moratorium shall be in effect from November 15 to March 15 of each year. The department may, by rule, begin the moratorium at an earlier date or extend it to a later date when severe weather conditions warrant that action.

**Legislative Review Note**  
**as of 1-16-98 11:06 AM**

A limited legal review of this bill raises no obvious constitutional or statutory concerns.

**Office of Legislative Research and General Counsel**

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