

Senator Howard C. Nielson proposes to substitute the following bill:

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; TRANSFERRING THE ENERGY ASSISTANCE PROGRAM FROM THE DEPARTMENT OF HUMAN SERVICES TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; UPDATING THE PROGRAM TO COINCIDE WITH THE CORRESPONDING FEDERAL PROGRAM; MAKING TECHNICAL CHANGES; AND PROVIDING AN EFFECTIVE DATE.

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

ENACTS:

9-12-101, Utah Code Annotated 1953

9-12-103, Utah Code Annotated 1953

RENUMBERS AND AMENDS:

9-12-102, (Renumbered from 62A-10-102, 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)

9-12-201, (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)

REPEALS:

62A-10-101, as enacted by Chapter 1, Laws of Utah 1988

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1 **62A-10-103**, as enacted by Chapter 1, Laws of Utah 1988

2 **62A-10-106**, as enacted by Chapter 1, Laws of Utah 1988

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

4 Section 1. Section **9-12-101** is enacted to read:

5 **CHAPTER 12. ENERGY ASSISTANCE PROGRAMS**

6 **Part 1. Home Energy Assistance**

7 **9-12-101. Title.**

8 This chapter is known as the "Home Energy Assistance Target (HEAT) Program Act."

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

11 ~~[62A-10-102].~~ **9-12-102. Assistance to low-income persons -- Contracts --**
12 **Administration.**

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

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

18 Section 3. Section **9-12-103** is enacted to read:

19 **9-12-103. Eligibility criteria.**

20 In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
21 department may make rules establishing eligibility criteria for recipients of assistance under this
22 chapter. A recipient of assistance under this chapter must demonstrate:

23 (1) that the recipient's family, household, or individual income is 150% of the federal
24 poverty level or less;

25 (2) that the recipient is responsible for paying the recipient's home energy costs; and

26 (3) compliance with any rules established by the department under this section.

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]~~

1 coordinate with private contributors to home energy assistance programs, [and] such as REACH
2 and Lend-a-Hand to help assure equitable statewide distribution of assistance to eligible customers
3 of all vendors of energy services.

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

6 ~~[62A-10-105].~~ **9-12-105. Payment method.**

7 ~~[All direct]~~ Direct payments for home energy costs shall be made jointly to the responsible
8 householder and to the vendor of energy services to whom the family or individual served owes
9 a payment except in certain cases, as established by rule by the department in accordance with
10 Title 63, Chapter 46a, Utah Administrative Rulemaking Act, where payments may be made
11 directly to the responsible householder.

12 Section 6. Section **9-12-201**, which is renumbered from Section 62A-10-201 is
13 renumbered and amended to read:

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

15 ~~[62A-10-201].~~ **9-12-201. Moratorium on involuntary termination for**
16 **nonpayment of utility bills -- Eligibility criteria -- Department to establish and certify.**

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

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

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

26 (b) the customer has made application to public and private energy assistance programs;

27 (c) the customer is willing to make a good faith effort to pay these utility bills on a
28 consistent basis; and

29 (d) any additional information required by the department.

30 (3) A residential customer may file with a local department office an affidavit attesting
31 eligibility under the criteria in Subsection (2). The department shall certify that the customer has

1 met the eligibility requirements and forward a copy of the affidavit to the effected utility.

2 Section 7. Section **9-12-202**, which is renumbered from Section 62A-10-202 is
3 renumbered and amended to read:

4 **[62A-10-202]. 9-12-202. Contest of customer's eligibility -- Department to**
5 **determine case.**

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

9 Section 8. Section **9-12-203**, which is renumbered from Section 62A-10-203 is
10 renumbered and amended to read:

11 **[62A-10-203]. 9-12-203. Premoratorium customers' eligibility for moratorium**
12 **-- Criteria.**

13 A residential customer that has had service of an essential utility discontinued for
14 nonpayment prior to the time the moratorium takes effect shall have service restored and continued
15 during the period of the moratorium if the customer meets the requirements of Section
16 ~~[62A-10-201]~~ 9-12-201 and the customer has entered into a deferred payment agreement with the
17 utility as to arrearages.

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

20 **[62A-10-204]. 9-12-204. Effective period of moratorium -- Extension by rule.**

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

24 Section 10. **Repealer.**

25 This act repeals:

26 Section **62A-10-101, Findings -- Purpose.**

27 Section **62A-10-103, Eligibility criteria.**

28 Section **62A-10-106, Appropriation -- Matching contributions required for**
29 **expenditure -- Expenditure for administration prohibited.**

30 Section 11. **Effective date.**

31 This act takes effect on July 1, 1998.