

SB3281



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB3281

Introduced 2/19/2016, by Sen. Toi W. Hutchinson

SYNOPSIS AS INTRODUCED:

305 ILCS 20/10
305 ILCS 20/13

from Ch. 111 2/3, par. 1410

Amends the Energy Assistance Act. Provides that the Low Income Energy Assistance Block Grant Fund and the Supplemental Low-Income Energy Assistance Fund are subject to continuing appropriation. Effective immediately.

LRB099 18760 HLH 43144 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The Energy Assistance Act is amended by changing
5 Sections 10 and 13 as follows:

6 (305 ILCS 20/10) (from Ch. 111 2/3, par. 1410)

7 Sec. 10. Energy Assistance Funds.

8 (a) The AFDC Energy Assistance Fund is hereby created as a
9 special fund in the State Treasury.

10 The AFDC Energy Assistance Fund is authorized to receive
11 whether by appropriation, transfer, statutory deposit or fund
12 transfer, all amounts appropriated from State funds to the
13 Department of Human Services (acting as successor to the
14 Illinois Department of Public Aid under the Department of Human
15 Services Act) specifically for energy assistance payments for
16 persons and families receiving assistance pursuant to Section
17 4-1 of the Illinois Public Aid Code and subsection (c) of
18 Section 6 of this Act, and any administrative expense related
19 thereto.

20 (b) Subject to appropriation by the General Assembly, the
21 Department is authorized to expend monies from the AFDC Energy
22 Assistance Fund for the following purposes:

23 (1) for energy assistance payments to or on behalf of

1 individuals or families who receive assistance pursuant to
2 Section 4-1 of The Illinois Public Aid Code in accordance
3 with the provisions of Section 6 of this Act; and

4 (2) for the necessary and contingent expenses of the
5 Department incurred in the administration of that portion
6 of the Act described in paragraph (1) of this subsection.

7 (c) The AFDC Energy Assistance Fund shall be inoperative
8 after September 30, 1991.

9 (d) ~~The Subject to appropriations made by the General~~
10 ~~Assembly, the~~ Department is authorized to expend monies from
11 the Low Income Energy Assistance Block Grant Fund for the
12 purpose of providing assistance pursuant to Section 6 of this
13 Act. Absent an enacted appropriation from the Low Income Energy
14 Assistance Block Grant Fund in any State fiscal year, this
15 subsection shall constitute a continuing appropriation to the
16 Department of all amounts necessary for the purposes set forth
17 in this subsection (d). The continuing appropriation under this
18 subsection (d) shall be no less than the total aggregate
19 appropriations made available from the Low Income Energy
20 Assistance Block Grant Fund for the immediately preceding State
21 fiscal year. If an appropriation to the Department from the Low
22 Income Energy Assistance Block Grant Fund is enacted on or
23 after July 1 of any calendar year, then the continuing
24 appropriation shall discontinue for that State fiscal year, and
25 the enacted appropriation shall supersede.

26 (Source: P.A. 89-507, eff. 7-1-97.)

1 (305 ILCS 20/13)

2 (Section scheduled to be repealed on December 31, 2018)

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

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

1 collected during that year pursuant to this Section, except
2 when unspent funds from the Supplemental Low-Income Energy
3 Assistance Fund are reallocated from a previous year; any
4 unspent balance of the 10% administrative allowance may be
5 utilized for administrative expenses in the year they are
6 reallocated.

7 (a-5) Absent an enacted appropriation from the
8 Supplemental Low-Income Energy Assistance Fund in any State
9 fiscal year, this subsection shall constitute a continuing
10 appropriation to the Department of Commerce and Economic
11 Opportunity of all amounts necessary for the purposes set forth
12 in subsection (a). The continuing appropriation under this
13 subsection (a-5) shall be no less than the total aggregate
14 appropriations made available from the Supplemental Low-Income
15 Energy Assistance Fund for the immediately preceding State
16 fiscal year. If an appropriation to the Department of Commerce
17 and Economic Opportunity from the Supplemental Low-Income
18 Energy Assistance Fund is enacted on or after July 1 of any
19 calendar year, then the continuing appropriation shall
20 discontinue for that State fiscal year, and the enacted
21 appropriation shall supersede.

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) \$0.48 per month on each account for residential
11 electric service;

12 (2) \$0.48 per month on each account for residential gas
13 service;

14 (3) \$4.80 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) \$4.80 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) \$360 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) \$360 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 The incremental change to such charges imposed by this

1 amendatory Act of the 96th General Assembly shall not (i) be
2 used for any purpose other than to directly assist customers
3 and (ii) be applicable to utilities serving less than 100,000
4 customers in Illinois on January 1, 2009.

5 In addition, electric and gas utilities have committed, and
6 shall contribute, a one-time payment of \$22 million to the
7 Fund, within 10 days after the effective date of the tariffs
8 established pursuant to Sections 16-111.8 and 19-145 of the
9 Public Utilities Act to be used for the Department's cost of
10 implementing the programs described in Section 18 of this
11 amendatory Act of the 96th General Assembly, the Arrearage
12 Reduction Program described in Section 18, and the programs
13 described in Section 8-105 of the Public Utilities Act. If a
14 utility elects not to file a rider within 90 days after the
15 effective date of this amendatory Act of the 96th General
16 Assembly, then the contribution from such utility shall be made
17 no later than February 1, 2010.

18 (c) For purposes of this Section:

19 (1) "residential electric service" means electric
20 utility service for household purposes delivered to a
21 dwelling of 2 or fewer units which is billed under a
22 residential rate, or electric utility service for
23 household purposes delivered to a dwelling unit or units
24 which is billed under a residential rate and is registered
25 by a separate meter for each dwelling unit;

26 (2) "residential gas service" means gas utility

1 service for household purposes distributed to a dwelling of
2 2 or fewer units which is billed under a residential rate,
3 or gas utility service for household purposes distributed
4 to a dwelling unit or units which is billed under a
5 residential rate and is registered by a separate meter for
6 each dwelling unit;

7 (3) "non-residential electric service" means electric
8 utility service which is not residential electric service;
9 and

10 (4) "non-residential gas service" means gas utility
11 service which is not residential gas service.

12 (d) Within 30 days after the effective date of this
13 amendatory Act of the 96th General Assembly, each public
14 utility engaged in the delivery of electricity or the
15 distribution of natural gas shall file with the Illinois
16 Commerce Commission tariffs incorporating the Energy
17 Assistance Charge in other charges stated in such tariffs,
18 which shall become effective no later than the beginning of the
19 first billing cycle following such filing.

20 (e) The Energy Assistance Charge assessed by electric and
21 gas public utilities shall be considered a charge for public
22 utility service.

23 (f) By the 20th day of the month following the month in
24 which the charges imposed by the Section were collected, each
25 public utility, municipal utility, and electric cooperative
26 shall remit to the Department of Revenue all moneys received as

1 payment of the Energy Assistance Charge on a return prescribed
2 and furnished by the Department of Revenue showing such
3 information as the Department of Revenue may reasonably
4 require; provided, however, that a utility offering an
5 Arrearage Reduction Program pursuant to Section 18 of this Act
6 shall be entitled to net those amounts necessary to fund and
7 recover the costs of such Program as authorized by that Section
8 that is no more than the incremental change in such Energy
9 Assistance Charge authorized by this amendatory Act of the 96th
10 General Assembly. If a customer makes a partial payment, a
11 public utility, municipal utility, or electric cooperative may
12 elect either: (i) to apply such partial payments first to
13 amounts owed to the utility or cooperative for its services and
14 then to payment for the Energy Assistance Charge or (ii) to
15 apply such partial payments on a pro-rata basis between amounts
16 owed to the utility or cooperative for its services and to
17 payment for 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; provided, however, that the amounts remitted by each
22 utility shall be used to provide assistance to that utility's
23 customers. The utilities shall coordinate with the Department
24 to establish an equitable and practical methodology for
25 implementing this subsection (g) beginning with the 2010
26 program year.

1 (h) On or before December 31, 2002, the Department shall
2 prepare a report for the General Assembly on the expenditure of
3 funds appropriated from the Low-Income Energy Assistance Block
4 Grant Fund for the program authorized under Section 4 of this
5 Act.

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

8 (j) The Department of Commerce and Economic Opportunity may
9 establish such rules as it deems necessary to implement this
10 Section.

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

25 In its use of federal funds under this Act, the Department
26 may not cause a disproportionate share of those federal funds

1 to benefit customers of systems which do not assess the charge
2 provided by this Section.

3 This Section is repealed effective December 31, 2018 unless
4 renewed by action of the General Assembly. The General Assembly
5 shall consider the results of the evaluations described in
6 Section 8 in its deliberations.

7 (Source: P.A. 98-429, eff. 8-16-13; 99-457, eff. 1-1-16.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.