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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To direct the Secretary of Energy to provide funding to electric and natural gas utility service providers to eliminate the arrears of residential customers of such service providers, support implementation of and participation in percentage of income payment programs and other energy affordability measures, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. TONKO introduced the following bill; which was referred to the Committee
on _____

A BILL

To direct the Secretary of Energy to provide funding to electric and natural gas utility service providers to eliminate the arrears of residential customers of such service providers, support implementation of and participation in percentage of income payment programs and other energy affordability measures, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “End Energy Hardship
3 Act”.

4 **SEC. 2. UTILITY AFFORDABILITY PROGRAM.**

5 (a) IN GENERAL.—The Secretary shall carry out a
6 program to improve the near-term and sustained afford-
7 ability of service provided by eligible entities.

8 (b) PHASE 1.—

9 (1) IN GENERAL.—In carrying out the program
10 described in subsection (a), the Secretary shall, not
11 later than 12 months after the date of enactment of
12 this section, provide funding to eligible entities on a
13 competitive basis in accordance with this subsection.

14 (2) AMOUNTS.—The funding provided under
15 paragraph (1) to an eligible entity shall be in an
16 amount no greater than the aggregate total arrears
17 of residential customers served by such eligible enti-
18 ty.

19 (3) USE OF FUNDS.—

20 (A) IN GENERAL.—An eligible entity that
21 receives funding under paragraph (1) may only
22 use such funding to eliminate the arrears of
23 residential customers served by such eligible en-
24 tity.

25 (B) PRIORITIZATION.—To the extent fund-
26 ing received by an eligible entity under para-

1 graph (1) is insufficient to eliminate the arrears
2 of all residential customers served by the eligi-
3 ble entity, the eligible entity shall prioritize the
4 elimination of—

5 (i) first, the arrears of each residen-
6 tial customer served by the eligible entity
7 that were incurred prior to the date of en-
8 actment of this section;

9 (ii) second, the arrears of each resi-
10 dential customer served by the eligible enti-
11 ty who has a gross household income at or
12 below the greater of—

13 (I) 150 percent of the Federal
14 poverty level; and

15 (II) 60 percent of the median in-
16 come of the State in which the resi-
17 dential customer resides; and

18 (iii) third, the arrears of each residen-
19 tial customer who is part of a household
20 served by the eligible entity that includes—

21 (I) 1 or more individuals who
22 have attained 60 years of age;

23 (II) 1 or more individuals who
24 are disabled;

1 (III) 1 or more individuals who
2 have not yet attained 6 years of age;
3 or

4 (IV) 1 or more individuals who
5 have a medical condition that requires
6 service by an eligible entity.

7 (4) TERMS AND CONDITIONS.—

8 (A) QUALIFIED PERCENTAGE OF INCOME
9 PAYMENT PROGRAM.—

10 (i) IN GENERAL.—An eligible entity
11 that receives funding under paragraph (1)
12 shall implement a Qualified Percentage of
13 Income Payment Program or an alter-
14 native energy affordability program de-
15 scribed in clause (ii) for a period of not
16 fewer than 60 consecutive months begin-
17 ning not later than 12 months after the
18 date on which the eligible entity receives
19 such funding.

20 (ii) ALTERNATIVE ENERGY AFFORD-
21 ABILITY PROGRAMS.—An alternative en-
22 ergy affordability program described in
23 this clause is an energy affordability pro-
24 gram, such as a tiered discount program,
25 that the Secretary determines—

1 (I) is designed to provide assist-
2 ance—

3 (aa) with respect to amounts
4 charged by an eligible entity;

5 (bb) to residential customers
6 served by the eligible entity who
7 are eligible to enroll in a Quali-
8 fied Percentage of Income Pay-
9 ment Program; and

10 (cc) that is roughly equiva-
11 lent to the assistance provided by
12 a Qualified Percentage of Income
13 Payment Program; and

14 (II) meets other appropriate de-
15 sign requirements for energy afford-
16 ability programs.

17 (iii) AUTOMATIC ENROLLMENT.—An
18 eligible entity that receives funding under
19 paragraph (1) shall, to the extent possible,
20 enroll each residential customer served by
21 the eligible entity who has a gross house-
22 hold income described in subsection
23 (j)(5)(B), and with respect to whom the el-
24 igible entity has eliminated arrears, in the
25 Qualified Percentage of Income Payment

1 Program or alternative energy affordability
2 program implemented pursuant to clause
3 (i).

4 (B) DEMONSTRATION OF COMPLIANCE.—

5 For any eligible entity with respect to which a
6 State agency has ratemaking authority, the
7 Secretary shall condition the obligation of fund-
8 ing to such eligible entity under paragraph (1)
9 on the eligible entity—

10 (i) filing a tariff with such State
11 agency to—

12 (I) establish a Qualified Percent-
13 age of Income Payment Program or
14 an alternative energy affordability
15 program described in subparagraph
16 (A)(ii); or

17 (II) amend an existing program
18 to be a Qualified Percentage of In-
19 come Payment Program or an alter-
20 native energy affordability program
21 described in subparagraph (A)(ii); or

22 (ii) submitting documentation to the
23 Secretary that demonstrates that such en-
24 tity administers an existing Qualified Per-
25 centage of Income Payment Program or an

1 alternative energy affordability program
2 described in subparagraph (A)(ii).

3 (C) CESSATION OF ARREARS COLLECTIONS
4 AND DISCONNECTIONS.—An eligible entity that
5 receives funding under paragraph (1) shall stop
6 issuing late fees or penalties to, carrying out
7 any arrears collection with respect to (including
8 the sale of debt to third parties), and dis-
9 connecting the service of a residential customer
10 served by the eligible entity for arrears of the
11 residential customer that are expected to be
12 eliminated by funding received under paragraph
13 (1).

14 (D) PROHIBITION ON DOUBLE RECOV-
15 ERY.—An eligible entity that receives funding
16 under paragraph (1) may not collect revenue
17 from the ratepayers of such eligible entity to
18 cover the costs of arrears expected to be elimi-
19 nated by such funding.

20 (E) DATA SHARING.—An eligible entity
21 that receives funding under paragraph (1) shall
22 coordinate, and seek to enter into agreements
23 to exchange data, with State agencies and, as
24 appropriate, nonprofit organizations responsible
25 for verifying income eligibility and enrolling res-

1 idential customers in relevant (as determined by
2 the Secretary) Federal and State energy afford-
3 ability and energy efficiency programs.

4 (F) ADMINISTRATIVE COSTS.—An eligible
5 entity that receives funding under paragraph
6 (1) may use not more than 10 percent of such
7 funding for administrative costs associated
8 with—

9 (i) eliminating the arrears of residen-
10 tial customers served by the eligible entity;

11 (ii) establishing a Qualified Percent-
12 age of Income Payment Program or an al-
13 ternative energy affordability program de-
14 scribed in subparagraph (A)(ii); and

15 (iii) complying with any other require-
16 ment established by this paragraph.

17 (G) REPORTING.—An eligible entity that
18 receives funding under paragraph (1) shall re-
19 port to the Secretary on—

20 (i) the use of such funding by the eli-
21 gible entity;

22 (ii) compliance by the eligible entity
23 with the requirements of this paragraph;
24 and

1 (iii) other efforts by the eligible entity
2 to reduce the arrears of, and improve en-
3 ergy affordability for, residential customers
4 served by the eligible entity.

5 (c) PHASE 2.—

6 (1) IN GENERAL.—In carrying out the program
7 described in subsection (a), the Secretary shall, not
8 earlier than 24 months after the date of enactment
9 of this section, provide any funding appropriated to
10 carry out this section that is not expended under
11 subsection (b) to each eligible entity that received
12 funding under subsection (b) in accordance with this
13 subsection.

14 (2) AMOUNTS.—The funding provided under
15 paragraph (1) to an eligible entity shall be in an
16 amount that is proportionate to the number of resi-
17 dential customers served by such eligible entity.

18 (3) USE OF FUNDS.—An eligible entity that re-
19 ceives funding under paragraph (1) shall use such
20 funding to provide a credit to each residential cus-
21 tomer served by such eligible entity in an equal
22 amount.

23 (d) TECHNICAL ASSISTANCE.—In carrying out the
24 program described in subsection (a), the Secretary shall
25 offer technical assistance to eligible entities, States, Indian

1 Tribes, and nonprofit organizations to support the devel-
2 opment and implementation of, participation in, and pub-
3 lic education about Qualified Percentage of Income Pay-
4 ment Programs and other energy affordability measures,
5 which may include arrears management programs, eligible
6 entity bill discount rates, eligible entity bill rebates, home
7 energy audits, assistance provided pursuant to the Low-
8 Income Home Energy Assistance Act of 1981, and resi-
9 dential energy and energy efficiency programs.

10 (e) SUPPORT FOR QUALIFIED PERCENTAGE OF IN-
11 COME PAYMENT PROGRAMS.—

12 (1) IN GENERAL.—In carrying out the program
13 described in subsection (a), the Secretary shall, sub-
14 ject to the availability of funds, provide funding to
15 eligible entities or States to offset the costs that an
16 eligible entity may pass on to residential customers
17 served by the eligible entity that are associated with
18 the implementation by the eligible entity of a Quali-
19 fied Percentage of Income Payment Program, which
20 may include software and technology upgrades nec-
21 essary to support the administration of the Qualified
22 Percentage of Income Payment Program and the
23 non-administrative costs of carrying out the Quali-
24 fied Percentage of Income Payment Program.

1 (2) ELIGIBILITY.—To be eligible to receive
2 funding under this subsection, an eligible entity
3 shall—

4 (A) demonstrate that a significant number,
5 as determined by the Secretary, of residential
6 customers served by the eligible entity that have
7 a gross household income described in sub-
8 section (j)(5)(B) are enrolled in a Qualified
9 Percentage of Income Payment Program; and

10 (B) for any eligible entity that is a for-
11 profit entity, be required to match 10 percent
12 of funding received under this subsection with
13 funding provided by the owners of such eligible
14 entity.

15 (f) DATA COLLECTION AND REPORTING.—

16 (1) DATA COLLECTION.—Beginning not later
17 than 12 months after the date of enactment of this
18 section, the Administrator of the Energy Informa-
19 tion Administration shall annually collect data from
20 each eligible entity relating to—

21 (A) the aggregate amount of arrears older
22 than 90 days of residential customers served by
23 the eligible entity, with the aggregate amounts
24 of arrears older than 90, 120, and 180 days
25 disaggregated;

1 (B) the number of residential customers
2 served by the eligible entity who have arrears
3 older than 90 days, with the numbers of resi-
4 dential customers who have arrears older than
5 90, 120, and 180 days disaggregated;

6 (C) the number of instances of disconnec-
7 tion of service by the eligible entity due to an
8 unpaid or overdue balance; and

9 (D) the number of residential customers
10 served by the eligible entity who are enrolled in
11 a Qualified Percentage of Income Payment Pro-
12 gram.

13 (2) COORDINATION.—The Administrator of the
14 Energy Information Administration shall, to the ex-
15 tent practicable, coordinate the data collection re-
16 quired under this subsection with the existing data
17 collection efforts of the Energy Information Admin-
18 istration to avoid the duplication of reporting bur-
19 dens on eligible entities.

20 (3) REPORTS.—The Administrator of the En-
21 ergy Information Administration shall annually pub-
22 lish a report, which shall include metrics,
23 disaggregated by State and zip code, related to data
24 collected pursuant to paragraph (1).

1 (g) FAILURE TO COMPLY WITH REQUIREMENTS.—

2 If the Secretary determines that an eligible entity has
3 failed to comply with the requirements of this section, the
4 Secretary shall require repayment of any funding provided
5 to the eligible entity under this section.

6 (h) REPORT TO CONGRESS.—Not later than 6 years
7 after the date of enactment of this Act, the Secretary shall
8 report to Congress on—

9 (1) the effectiveness of Qualified Percentage of
10 Income Payment Programs, or any alternative en-
11 ergy affordability programs described in subsection
12 (b)(4)(A)(ii), that have received funding or technical
13 assistance under this section; and

14 (2) recommendations to improve the design of
15 such programs, increase the enrollment of residential
16 customers in such programs, and increase the par-
17 ticipation in relevant Federal and State energy af-
18 fordability and energy efficiency programs of resi-
19 dential customers who are eligible for such pro-
20 grams.

21 (i) AUTHORIZATION OF APPROPRIATIONS.—

22 (1) PHASES I AND II.—There is authorized to
23 be appropriated to the Secretary \$25,000,000,000 to
24 remain available until expended to carry out sub-
25 sections (b) and (c).

1 (2) TECHNICAL ASSISTANCE; SUPPORT FOR
2 QUALIFIED PERCENTAGE OF INCOME PAYMENT PRO-
3 GRAMS; DATA COLLECTION AND REPORTING.—There
4 is authorized to be appropriated to the Secretary
5 \$1,000,000,000 for each of fiscal years 2027
6 through 2031 to carry out subsections (d), (e), and
7 (f).

8 (j) DEFINITIONS.—In this section:

9 (1) ARREARS.—The term “arrears” means any
10 unpaid or overdue balance a residential customer
11 owes to an eligible entity.

12 (2) COLLECTION.—The term “arrears collec-
13 tion” means an action taken by an eligible entity to
14 recover the arrears of a residential customer served
15 by the eligible entity, including filing a lien against
16 the residential customer or authorizing a third party
17 to collect such arrears.

18 (3) ELIGIBLE ENTITY.—The term “eligible enti-
19 ty” means a distribution utility that provides electric
20 or natural gas utility service to a retail or end-use
21 customer.

22 (4) INDIAN TRIBE.—The term “Indian Tribe”
23 has the meaning given such term in section 4 of the
24 Indian Self-Determination and Education Assistance
25 Act (25 U.S.C. 5304).

1 (5) QUALIFIED PERCENTAGE OF INCOME PAY-
2 MENT PROGRAM.—The term “Qualified Percentage
3 of Income Payment Program” means a program
4 that—

5 (A) is administered by an eligible entity, or
6 administered by a State with the participation
7 of an eligible entity;

8 (B) enrolls residential customers served by
9 the eligible entity who have a gross household
10 income at or below the greater of—

11 (i) 150 percent of the Federal poverty
12 level; and

13 (ii) 60 percent of the median income
14 of the State in which such residential cus-
15 tomers reside;

16 (C) automatically enrolls residential cus-
17 tomers served by the eligible entity who partici-
18 pate in another low-income assistance program
19 that the Secretary identifies as having eligibility
20 requirements for enrollment in the low-income
21 assistance program that are identical to or
22 more stringent than the program;

23 (D) limits the monthly amount charged to
24 each residential customer enrolled in the pro-
25 gram for service provided by an eligible entity

1 to a fixed percentage of the gross household in-
2 come of such customer, which percentage shall
3 be not more than—

4 (i) for such a customer with natural
5 gas heating, 6 percent of the gross house-
6 hold income of such customer, provided
7 that the monthly amount charged for elec-
8 tric service shall be not more than 3 per-
9 cent of such gross household income and
10 the monthly amount charged for such heat-
11 ing service shall be not more than 3 per-
12 cent of such gross household income; or

13 (ii) for such a customer with electric
14 heating, 6 percent of the gross household
15 income of such customer;

16 (E) may implement a system that tiers the
17 monthly amount charged to a residential cus-
18 tomer enrolled in the program (in an amount
19 not to exceed the amount allowed under sub-
20 paragraph (C)) based on the gross household
21 income of the residential customer described in
22 subparagraph (B);

23 (F) supports, coordinates with, and shares
24 data with relevant State agencies and, as ap-
25 propriate, nonprofit organizations that support

1 the enrollment of residential customers in the
2 program, including data relating to verifying
3 that a residential customer has a gross house-
4 hold income described in subparagraph (B);

5 (G) promotes access to home energy au-
6 dits, weatherization services, and other residen-
7 tial energy and energy efficiency programs that
8 improve energy affordability for residential cus-
9 tomers enrolled in the program;

10 (H) prohibits the service disconnection of
11 any residential customer enrolled in the pro-
12 gram, provided that the residential customer
13 makes a full and timely payment of each
14 monthly amount charged to the customer after
15 the date on which the customer is enrolled in
16 such program; and

17 (I) implements an arrears management
18 program that forgives no more than 1/12th of
19 the arrears of a residential customer enrolled in
20 the program upon the full and timely payment
21 of the most recent monthly amount charged to
22 the customer.

23 (6) SECRETARY.—The term “Secretary” means
24 the Secretary of Energy.

1 (7) STATE.—The term “State” means any of
2 the several States, the District of Columbia, or any
3 territory or possession of the United States.