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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 1277 Session of  
1985

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INTRODUCED BY STAUFFER, JUBELIRER, LOEPER, MOORE, REIBMAN, HESS,  
ZEMPRELLI, BRIGHTBILL, SHUMAKER, KRATZER, ROCKS, STAPLETON,  
LEWIS, FUMO, LINCOLN, JONES, SINGEL, ROMANELLI, MELLOW,  
BODACK, EARLY, HANKINS, ANDREZESKI AND O'PAKE, DECEMBER 17,  
1985

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REFERRED TO APPROPRIATIONS, DECEMBER 17, 1985

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AN ACT

1 Establishing a special fund for moneys received by the  
2 Commonwealth as a result of oil overcharge settlements;  
3 designating certain low income energy conservation and  
4 assistance programs for funding from this special fund; and  
5 making appropriations.

6 The General Assembly of the Commonwealth of Pennsylvania  
7 hereby enacts as follows:

8 Section 1. Short title.

9 This act shall be known and may be cited as the Energy  
10 Conservation and Assistance Act.

11 Section 2. Legislative findings.

12 The General Assembly hereby finds and declares that:

13 (1) There are and will be funds available to the  
14 Commonwealth due to settlements of litigation and  
15 administrative proceedings brought by the United States  
16 Department of Energy against oil companies and refineries for  
17 alleged violations of the Federal Petroleum Price Allocation  
18 Regulations.

1           (2) In accordance with the settlements, these moneys are  
2 to be distributed to the states for specific energy  
3 conservation and assistance programs.

4           (3) In recognition of the economic plight of low income  
5 persons in this Commonwealth, the high and rising costs of  
6 energy, and the substantial reduction in energy consumption  
7 which is known to result from effective weatherization, the  
8 General Assembly considers it sound public policy to provide  
9 additional funding for weatherization for low income persons,  
10 energy assistance for low income persons, and other  
11 conservation programs as specified in this act, and further  
12 declares that oil overcharge funds shall be utilized to pay  
13 the costs of such programs.

#### 14 Section 3. Definitions.

15       The following words and phrases when used in this act shall  
16 have the meanings given to them in this section unless the  
17 context clearly indicates otherwise:

18       "Energy conservation and assistance programs." Includes any  
19 of the following:

20           (1) The programs established under Part A of the Energy  
21 Conservation in Existing Buildings Act of 1976 (Public Law  
22 94-385, 42 U.S.C. § 6861 et seq.), establishing the Low  
23 Income Weatherization Program.

24           (2) The programs established under Part D of Title III  
25 of the Energy Policy and Conservation Act (Public Law 94-163,  
26 42 U.S.C. § 6321 et seq.), providing for state energy  
27 conservation programs.

28           (3) The programs established under Part G of Title III  
29 of the Energy Policy and Conservation Act, providing for  
30 energy conservation investments in schools and hospitals.

1           (4) The programs established under the National Energy  
2       Extension Service Act (Public Law 95-39, 42 U.S.C. § 7001 et  
3       seq.), providing for, inter alia, Energy Conservation  
4       Outreach Programs to small businesses and individual  
5       consumers.

6           (5) The programs established under the Low Income Home  
7       Energy Assistance Act of 1981 (Public Law 97-35, 42 U.S.C. §  
8       8621 et seq.), providing for energy assistance to low income  
9       households.

10       "Fund." The Energy Conservation and Assistance Fund  
11       established in section 4.

12       "Household." Any individual or group of individuals who are  
13       living together as one economic unit and whose residential  
14       energy is customarily purchased in common or who make  
15       undesignated payments for energy as part of a rental payment. A  
16       roomer and boarder who is related to any member of the applicant  
17       household is considered to be a member of the household.

18       Section 4. Establishment of special fund.

19       There is hereby created an Energy Conservation and Assistance  
20       Fund. All funds made available to the Commonwealth after  
21       December 1, 1985, due to settlements of litigation or  
22       administrative proceedings brought by the United States  
23       Department of Energy against oil companies and refineries for  
24       alleged violations of the Federal Petroleum Price Allocation  
25       Regulations shall be credited by the Treasury Department to this  
26       fund. Interest earned by investment of moneys in this fund by  
27       the Treasury Department shall also be credited by the Treasury  
28       Department to this fund.

29       Section 5. Supplemental low income energy conservation and  
30       assistance programs.

(a) Establishment of programs.--The following supplemental low income energy conservation and assistance programs are hereby established:

(1) Pennsylvania Supplemental Low Income Weatherization Program. This program shall supplement the programs set forth in paragraph (1) of the definition of "energy conservation and assistance programs" in section 3.

(2) Pennsylvania Supplemental Low Income Energy Assistance Program. This program shall supplement the programs set forth in paragraph (5) of the definition of "energy conservation and assistance programs" in section 3.

(b) Eligibility requirements.--Households applying for benefits under the programs established in subsection (a) shall meet the following eligibility requirements:

(1) Households to be eligible will be those dwelling units which are occupied by persons with annual income at or below 150% of the Federal Poverty Guidelines or contain a member who has, during the past 12 months, received cash assistance under Title IV or XVI of the Social Security Act (Public Law 74-271, 42 U.S.C. §§ 601-662) and section 2605(b)(2) of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35, 95 Stat. 357).

(2) In addition to the income eligibility requirements specified in paragraph (1), households applying for benefits under this act shall meet the eligibility requirements for energy assistance as provided for by the Omnibus Budget Reconciliation Act of 1981, pursuant to the authority of section 201(2) of the act of June 13, 1967 (P.L.31, No.21), known as the Public Welfare Code.

(c) Administration of programs.--The programs established in

1 subsection (a) shall be administered as follows:

2 (1) The Pennsylvania Supplemental Low Income  
3 Weatherization Program established in subsection (a)(1) shall  
4 be administered by the Department of Community Affairs in a  
5 manner consistent with Part A of the Energy Conservation in  
6 Existing Buildings Act of 1976 (Public Law 94-385, 42 U.S.C.  
7 § 6861 et seq.). Community action agencies, existing low-  
8 income weatherization providers or, other county, municipal  
9 or nonprofit corporations may apply for a portion of these  
10 funds. The Department of Community Affairs may establish  
11 regulations necessary for administering this program.

12 (2) The Pennsylvania Supplemental Low Income Energy  
13 Assistance Program established in subsection (a)(2) shall be  
14 administered by the Department of Public Welfare in a manner  
15 consistent with the program authorized under the Low Income  
16 Energy Assistance Act of 1981 (Public Law 97-35, 42 U.S.C. §  
17 8621 et seq.). The Department of Public Welfare may establish  
18 regulations necessary for administering this program.

19 Section 6. Administration of certain energy conservation and  
20 assistance programs.

21 The energy conservation and assistance programs set forth in  
22 paragraphs (2), (3) and (4) of the definition of "energy  
23 conservation and assistance programs" in section 3 shall be  
24 administered by the Governor's Energy Council. The council may  
25 establish regulations necessary for administering these  
26 programs.

27 Section 7. Administrative costs.

28 No more than 10% of the annual appropriation for each of the  
29 energy conservation and assistance programs, including the  
30 supplemental programs established in section 5, shall be used

1 for the planning and administrative costs of these programs.

2 Section 8. Annual report and audit.

3 The Department of Community Affairs, the Department of Public  
4 Welfare and the Governor's Energy Council shall each provide the  
5 General Assembly with an annual report, which shall include an  
6 independent audit, on or before September 15 of each year,  
7 covering all expenditures made in administering their respective  
8 programs pursuant to this act.

9 Section 9. Allocation of annual appropriations.

10 (a) General rule.--Appropriations from the fund shall be  
11 made only for the energy conservation and assistance programs,  
12 including the supplemental programs established in section 5,  
13 set forth in this act.

14 (b) Restriction.--At least 75% of the annual appropriations  
15 made from the fund shall be for the supplemental programs  
16 established in section 5.

17 Section 10. Appropriations.

18 (a) Department of Community Affairs.--The sum of  
19 \$10,000,000, or as much thereof as may be necessary, is hereby  
20 appropriated from the fund to the Department of Community  
21 Affairs for the fiscal year July 1, 1985, to June 30, 1986, for  
22 the purposes set forth in this act.

23 (b) Department of Public Welfare.--The sum of \$10,000,000,  
24 or as much thereof as may be necessary, is hereby appropriated  
25 from the fund to the Department of Public Welfare for the fiscal  
26 year July 1, 1985, to June 30, 1986, for the purposes set forth  
27 in this act.

28 (c) Governor's Energy Council.--The sum of \$5,000,000, or as  
29 much thereof as may be necessary, is hereby appropriated from  
30 the fund to the Governor's Energy Council for the fiscal year

1 July 1, 1985, to June 30, 1986, for the purposes set forth in  
2 this act.

3 (d) Lapse.--Any funds unexpended, uncommitted and  
4 unencumbered as of June 30, 1986, shall lapse and shall be  
5 available for appropriation from the fund for future fiscal  
6 years.

7 Section 11. Effective date.

8 This act shall take effect immediately.