

§ 8626b. Residential Energy Assistance Challenge option (R.E.A.Ch.)

(a) Purpose

The purpose of the Residential Energy Assistance Challenge (in this section referred to as “R.E.A.Ch.”) program is to—

- (1) minimize health and safety risks that result from high energy burdens on low-income Americans;
- (2) prevent homelessness as a result of inability to pay energy bills;
- (3) increase the efficiency of energy usage by low-income families; and
- (4) target energy assistance to individuals who are most in need.

(b) Funding

(1) Allocation

For each fiscal year, the Secretary may allocate not more than 25 percent of the amount made available pursuant to section 8621(d) of this title for such fiscal year to a R.E.A.Ch. fund for the purpose of making incentive grants to States that submit qualifying plans that are approved by the Secretary as R.E.A.Ch. initiatives. States may use such grants for the costs of planning, implementing, and evaluating the initiative.

(2) Reservation

The Secretary shall reserve from any funds allocated under this subsection, funds to make additional payments to State R.E.A.Ch. programs that—

- (A) have energy efficiency education services plans that meet quality standards established by the Secretary in consultation with the Secretary of Energy; and
- (B) have the potential for being replicable model designs for other programs.

States shall use such supplemental funds for the implementation and evaluation of the energy efficiency education services.

(c) Criteria

(1) In general

Not later than May 31, 1995, the Secretary shall establish criteria for approving State plans required by subsection (a), for energy efficiency education quality standards described in subsection (b)(2)(A), and for the distribution of funds to States with approved plans.

(2) Documentation

Notwithstanding the limitations of section 8624(b) of this title regarding the authority of the Secretary with respect to plans, the Secretary may require a State to provide appropriate documentation that its R.E.A.Ch. activities conform to the State plan as approved by the Secretary.

(d) Focus

The State may designate all or part of the State, or all or part of the client population, as a focus of its R.E.A.Ch. initiative.

(e) State plans

(1) In general

Each State plan shall include each of the elements described in paragraph (2), to be met by State and local agencies.

(2) Elements of State plans

Each State plan shall include—

(A) an assurance that such State will deliver services through community-based nonprofit entities in such State, by—

- (i) awarding grants to, or entering into contracts with, such entities for the purpose of providing such services and payments directly to individuals eligible for benefits; or
- (ii) if a State makes payments directly to eligible individuals or energy suppliers, making contracts with such entities to administer such programs, including—
 - (I) determining eligibility;
 - (II) providing outreach services; and
 - (III) providing benefits other than payments;

(B) an assurance that, in awarding grants or entering into contracts to carry out its R.E.A.Ch. initiative, the State will give priority to organizations that—

- (i) are described in section 9902(1) of this title, except where significant geographic portions of the State are not served by such entities;
- (ii) the Secretary has determined have a record of successfully providing services under the Low-Income Home Energy Assistance Program; and
- (iii) receive weatherization assistance program funds under part A of title IV of the Energy Conservation and Production Act [42 U.S.C. 6861 et seq.];

except that a State may not require any such entity to operate a R.E.A.Ch. program;

(C) an assurance that, subject to subparagraph (D), each entity that receives a grant or enters into a contract under subparagraph (A)(i) will provide a variety of services and benefits, including—

- (i) payments to, or on behalf of, individuals eligible for residential energy assistance services and benefits under section 8624(b) of this title for home energy costs;
- (ii) energy efficiency education;
- (iii) residential energy demand management services, including any other energy related residential repair and energy efficiency improvements in coordination with, or delivered by, Department of Energy weatherization assistance programs at the discretion of the State;
- (iv) family services, such as counseling and needs assessment, related to energy budget management, payment plans, and related services; and
- (v) negotiation with home energy suppliers on behalf of households eligible for R.E.A.Ch. services and benefits;

(D) a description of the methodology the State and local agencies will use to determine—

- (i) which households will receive one or more forms of benefits under the State R.E.A.Ch. initiative;
- (ii) the cases in which nonmonetary benefits are likely to provide more cost-effective long-term outcomes than payment benefits alone; and

(iii) the amount of such benefit required to meet the goals of the program;

(E) a method for targeting nonmonetary benefits;

(F) a description of the crisis and emergency assistance activities the State will undertake that are designed to—

- (i) discourage family energy crises;
- (ii) encourage responsible vendor and consumer behavior; and
- (iii) provide only financial incentives that encourage household payment;

(G) a description of the activities the State will undertake to—

- (i) provide incentives for recipients of assistance to pay home energy costs; and
- (ii) provide incentives for vendors to help reduce the energy burdens of recipients of assistance;

(H) an assurance that the State will require each entity that receives a grant or enters into a contract under this section to solicit and be responsive to the views of individuals who are financially eligible for benefits and services under this section in establishing its local program;

(I) a description of performance goals for the State R.E.A.Ch. initiative including—

- (i) a reduction in the energy costs of participating households over one or more fiscal years;
- (ii) an increase in the regularity of home energy bill payments by eligible households; and
- (iii) an increase in energy vendor contributions towards reducing energy burdens of eligible households;

(J) a description of the indicators that will be used by the State to measure whether the performance goals have been achieved;

(K) a demonstration that the plan is consistent with section 8622 of this title, paragraphs (2), (3), (4), (5), (7), (9), (10), (11), (12), (13), and (14) of section 8624(b) of this title, subsections (d), (e), (f), (g), (h), (i), and (j) of section 8624 of this title, and section 8625 of this title;

(L) an assurance that benefits and services will be provided in addition to other benefit payments and services provided under this subchapter and in coordination with such benefit payments and services; and

(M) an assurance that no regulated utility covered by the plan will be required to act in a manner that is inconsistent with applicable regulatory requirements.

(f) Cost or function

None of the costs of providing services or benefits under this section shall be considered to be an administrative cost or function for purposes of any limitation on administrative costs or functions contained in this subchapter.

(Pub. L. 97-35, title XXVI, § 2607B, as added Pub. L. 103-252, title III, § 312, May 18, 1994, 108 Stat. 662; amended Pub. L. 105-285, title III, § 308(c), (d), Oct. 27, 1998, 112 Stat. 2758.)

REFERENCES IN TEXT

The Energy Conservation and Production Act, referred to in subsec. (e)(2)(B)(iii), is Pub. L. 94-385, Aug.

14, 1976, 90 Stat. 1125, as amended. Part A of title IV of the Act is classified generally to part A (§6861 et seq.) of subchapter III of chapter 81 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6801 of this title and Tables.

AMENDMENTS

1998—Subsec. (b)(1). Pub. L. 105-285, § 308(c), substituted “For each fiscal year” for “For each of the fiscal years 1996 through 1999”.

Subsec. (e)(2)(E) to (H). Pub. L. 105-285, § 308(d)(1)(A), redesignated subpars. (F) to (I) as (E) to (H), respectively.

Subsec. (e)(2)(I). Pub. L. 105-285, § 308(d)(1)(A), redesignated subpar. (J) as (I). Former subpar. (I) redesignated (H).

Subsec. (e)(2)(I)(i). Pub. L. 105-285, § 308(d)(1)(B), substituted “of” for “on”.

Subsec. (e)(2)(J) to (N). Pub. L. 105-285, § 308(d)(1)(A), redesignated subpars. (K) to (N) as (J) to (M), respectively.

Subsecs. (f), (g). Pub. L. 105-285, § 308(d)(2), redesignated subsec. (g) as (f).

EFFECTIVE DATE

Section effective Oct. 1, 1994, see section 314 of Pub. L. 103-252, set out as an Effective Date of 1994 Amendment note under section 8621 of this title.

EVALUATION AND REPORT ON RESIDENTIAL ENERGY ASSISTANCE CHALLENGE OPTION

Pub. L. 105-285, title III, § 308(a), (b), Oct. 27, 1998, 112 Stat. 2758, provided that:

“(a) EVALUATION.—The Comptroller General of the United States shall conduct an evaluation of the Residential Energy Assistance Challenge program described in section 2607B of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8626b).

“(b) REPORT.—Not later than 2 years after the date of enactment of this Act [Oct. 27, 1998], the Comptroller General of the United States shall prepare and submit to Congress a report containing—

- “(1) the findings resulting from the evaluation described in subsection (a); and
- “(2) the State evaluations described in paragraphs (1) and (2) of subsection (b) of such section 2607B.”

§ 8627. Withholding of funds

(a) Improper utilization of funds; response to complaints respecting improprieties

(1) The Secretary shall, after adequate notice and an opportunity for a hearing conducted within the affected State, withhold funds from any State which does not utilize its allotment substantially in accordance with the provisions of this subchapter and the assurances such State provided under section 8624 of this title.

(2) The Secretary shall respond in writing in no more than 60 days to matters raised in complaints of a substantial or serious nature that a State has failed to use funds in accordance with the provisions of this subchapter or the assurances provided by the State under section 8624 of this title. For purposes of this paragraph, a violation of any one of the assurances contained in section 8624(b) of this title that constitutes a disregard of such assurance shall be considered a serious complaint.

(b) Investigations; conduct, etc.

(1) The Secretary shall conduct in several States in each fiscal year investigations of the use of funds received by the States under this subchapter in order to evaluate compliance with the provisions of this subchapter.