

House Study Bill 680

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON HUMAN
RESOURCES BILL BY CHAIRPERSON
SMITH)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the establishment or approval of discounted
2 gas and electric utility rates applicable to low-income
3 residents.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 5867HC 82
6 rn/nh/5

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1 1 Section 1. NEW SECTION. 476.8A LOW-INCOME RESIDENTIAL
1 2 CUSTOMERS == DISCOUNT RATE.
1 3 The board may establish or approve low-income residential
1 4 discount rates for gas and electric utility service furnished
1 5 to qualified low-income residents as determined pursuant to
1 6 section 476.20, subsection 2, to ensure the affordable,
1 7 reliable, and continuous furnishing of such services, lower
1 8 the percentage of income devoted to utility bills by
1 9 low-income households, increase customer payment rates, and
1 10 reduce costs associated with customer account collection
1 11 activities. The discount rates, if established, shall be
1 12 applicable to gas and electric service furnished by a public
1 13 utility subject to rate regulation and, at a utility's
1 14 discretion, to a public utility exempt from the board's rate
1 15 regulation authority. The disconnection restrictions
1 16 applicable to qualifying low-income residents pursuant to
1 17 section 476.20 shall continue to apply notwithstanding
1 18 imposition of discount rates established pursuant to this
1 19 section.

EXPLANATION

1 20
1 21 This bill authorizes the Iowa utilities board to establish
1 22 or approve discount rates for gas and electric utility service
1 23 applicable to low-income residents who qualify for
1 24 disconnection restriction provisions specified in Code section
1 25 476.20. The bill specifies that discount rates would be
1 26 established to ensure the affordable, reliable, and continuous
1 27 furnishing of utility services, lower the percentage of income
1 28 devoted to utility bills by low-income households, increase
1 29 customer payment rates, and reduce costs associated with
1 30 customer account collection activities by utilities. The
1 31 rates, if established, would apply to gas and electric
1 32 utilities subject to rate regulation under Code chapter 476,
1 33 and optionally to utilities not subject to the board's rate
1 34 regulation authority. The bill provides that disconnection
1 35 restrictions shall continue to apply to qualifying low-income
2 1 residents notwithstanding application of a discount rate.
2 2 LSB 5867HC 82
2 3 rn/nh/5