

Act No. 168
Public Acts of 2024
Approved by the Governor
December 17, 2024
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December 17, 2024
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**STATE OF MICHIGAN
102ND LEGISLATURE
REGULAR SESSION OF 2024**

Introduced by Senators Outman and Singh

ENROLLED SENATE BILL No. 881

AN ACT to amend 1939 PA 3, entitled “An act to provide for the regulation and control of public and certain private utilities and other services affected with a public interest within this state; to provide for alternative energy suppliers and certain providers of electric vehicle charging services; to provide for licensing; to include municipally owned utilities and other providers of energy under certain provisions of this act; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law on the public service commission; to provide for the powers and duties of certain state governmental officers and entities; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit certain rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to create a fund; to encourage the utilization of resource recovery facilities; to prohibit certain acts and practices of providers of energy; to allow for the securitization of stranded costs; to reduce rates; to provide for appeals; to provide appropriations; to declare the effect and purpose of this act; to prescribe remedies and penalties; and to repeal acts and parts of acts,” by amending section 9t (MCL 460.9t), as added by 2013 PA 95.

The People of the State of Michigan enact:

Sec. 9t. (1) The low-income energy assistance fund is created in the state treasury.

(2) The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund and credit to the fund interest and earnings from fund investments. Beginning December 1, 2025, and by each December 1 thereafter, the state treasurer shall report to the commission the total amount of money that was collected by the fund and the remaining balance of the fund from the immediately preceding fiscal year.

(3) Money in the fund at the close of the fiscal year remains in the fund and does not lapse to the general fund.

(4) The department of licensing and regulatory affairs is the administrator of the fund for auditing purposes.

(5) Subject to the limitations imposed in this section, the department of health and human services shall expend money from the fund, on appropriation, as provided in the Michigan energy assistance act, 2012 PA 615, MCL 400.1231 to 400.1235. The department of health and human services, in consultation with the commission, shall ensure that all money collected for the fund from a geographic area is returned, to the extent possible, to that geographic area and ensure the fund is administered to promote all of the following:

(a) Statewide access to the Michigan energy assistance program established in section 3 of the Michigan energy assistance act, 2012 PA 615, MCL 400.1233, and ensuring that funds collected from a specific geographic area are, to the extent possible, returned to eligible low-income customers in that specific geographic area.

(b) Collaboration between the department of health and human services, the commission, energy providers, and entities that administer assistance programs to ensure that eligible low-income customers in a geographic area are receiving funds proportional to what customers in that geographic area are being assessed.

(c) For energy providers and entities that administer assistance programs, education and outreach on availability of the assistance programs and funding.

(6) Beginning March 1, 2027, and by each March 1 thereafter, the department of health and human services shall provide to the house and senate appropriations subcommittee for the department of health and human services budget and the house and senate standing committees on energy a report that contains all of following information:

(a) The distribution of money from the fund across this state.

(b) A summary of the total funds received and assistance awarded for each county in this state.

(c) A summary of the education, marketing, and outreach to improve the distribution of funds.

(7) The department of health and human services may combine the report required under subsection (6) with the report required under section 3 of the Michigan energy assistance act, 2012 PA 615, MCL 400.1233.

(8) Subject to the limitations imposed in this subsection, the commission may, after an opportunity to comment, annually approve a low-income energy assistance funding factor no later than May 1 of each year for the subsequent fiscal year. The low-income energy assistance funding factor must be the same across all customer classes and must not exceed \$1.00. If the remaining balance reported under subsection (2) is greater than 10% of the funds collected by the low-income energy assistance funding factor in the fiscal year for which the remaining balance was reported, the commission shall set the low-income energy assistance funding factor at a rate at which the total funds collected would not exceed the total amount of funds collected by the low-income energy assistance funding factor minus the remaining balance reported under subsection (2). An electric utility, municipally owned electric utility, or cooperative electric utility that collects money under this subsection shall remit that money to the state treasurer for deposit in the fund on a monthly basis no later than 30 days after the last day in each calendar month. The electric utility, municipally owned electric utility, or cooperative electric utility shall list the low-income energy assistance funding factor as a separate line item on each customer's bill.

(9) An electric utility, municipally owned electric utility, or cooperative electric utility may elect to opt out of a low-income energy assistance funding factor under this section by annually filing a notice with the commission by April 1. Notwithstanding any other provision of this act, an electric utility, municipally owned electric utility, or cooperative electric utility that elects to opt out of a low-income energy assistance funding factor under this section shall not shut off service to any residential customer from November 1 to April 15 for nonpayment of a delinquent account.

(10) An electric utility, municipally owned electric utility, or cooperative electric utility that does not opt out under subsection (9), or an association representing a municipally owned electric utility or cooperative electric utility that does not opt out under subsection (9), shall annually provide to the commission by April 1 the number of retail billing meters it serves in this state that are subject to the low-income energy assistance funding factor. The utility shall provide the number of retail billing meters to the commission as both a total of retail billing meters in the utility's service territory and a total of billing meters by county.

(11) This act does not give the commission the power to regulate a municipally owned electric utility.

(12) As used in this section:

(a) "Fund" means the low-income energy assistance fund created in subsection (1).

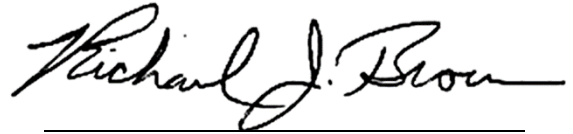
(b) "Low-income energy assistance funding factor" means a nonbypassable surcharge on each retail billing meter payable monthly by every customer receiving a retail distribution service from an electric utility, municipally owned electric utility, or cooperative electric utility that does not opt out under subsection (9), regardless of the identity of the customer's electric generation supplier. The low-income energy assistance funding factor must not be charged on more than 1 residential meter per residential site.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 102nd Legislature are enacted into law:

- (a) Senate Bill No. 353.
- (b) Senate Bill No. 880.



Secretary of the Senate



Clerk of the House of Representatives

Approved _____

Governor