



Senate Fiscal Agency
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Senate Bill 879 (as introduced 5-22-24)
Sponsor: Senator Sam Singh
Committee: Energy and Environment

Date Completed: 6-5-24

CONTENT

The bill would amend Public Act 3 of 1939, the Public Service Commission law, to require the Department of Health and Human Services (DHHS) to:

- Ensure that the Low-income Energy Assistance Fund was administered to promote statewide access to the Michigan Energy Assistance Program (MEAP), in consultation with the Michigan Public Services Commission (MPSC).**
- Provide to the Legislature a report on the distribution of funds from the Fund by October 1 of each year starting in 2027.**

Section 9t of the Act creates the Fund within the State Treasury to provide energy assistance for low-income households. The DHHS, in consultation with the MPSC, must ensure that all money collected for the Fund from a geographic area is returned, to the extent possible, to that geographic area.

Under the bill, the DHHS, in consultation with the MPSC, would have to ensure it was administered to promote all the following:

- Statewide access to MEAP and that funds collected from a specific geographic area were, to the extent possible, returned to eligible low-income customers in that specific geographic area.
- Collaboration between DHHS, MPSC, energy providers, and entities that administer assistance programs to ensure that low-income customers in a participating geographical area were receiving funds proportional to what customers in that geographical area were being assessed.
- For energy providers and entities that administer assistance programs, education and outreach on availability of the assistance programs and funding.

Beginning October 1, 2027, and by each October 1 after, the DHHS would have to provide to the House and Senate appropriations committees for the DHHS budget and the House and Senate standing committees on energy a report that contained all the following information:

- The distribution of money from the Fund across the State.
- Each geographic area where funds were collected, and the extent to which the funds were returned to the geographic area from which the funds were collected.
- A summary of the education, marketing, and outreach to improve the distribution of funds.
- For an electric utility, municipally owned electric utility, or cooperative electric utility that served fewer than 45,000 retail customers, the total amount of funds collected from the retail customers and the total amount of funds distributed to eligible low-income customers in the electric utility's, municipally owned electric utility's, or cooperative electric utility's geographic area.

MCL 460.9t

Legislative Analyst: Nathan Leaman

FISCAL IMPACT

The bill could have a fiscal impact on State government and no fiscal impact on units of local government.

The bill would require the DHHS to produce an annual report starting on October 1, 2027. To the extent that the reporting required additional staff resources to produce the report that did exist in the DHHS, there would be a fiscal impact to State government. The cost to DHHS to produce a statutorily required report would depend on the time it took to collect and compile the information required. The bill would require the DHHS to submit a report on the MEAP, which is based in the Department of Licensing and Regulatory Affairs and housed within the MPSC. The MPSC would likely see an increase in costs due to the added data collection and reporting needed to create the required reports. This would likely include new software and possible upgrades to the current information and technology systems used by the MPSC.

For context on the MEAP, the following two tables show data from 2017 through 2023 of the distribution of collection of Low-income Energy Assistance Fund (LIEAF) by participating electric service providers and distribution of MEAP funds by county.

Table 1

LIEAF Remittances from 2017 – 2023 by Electric Service Provider		
Electric Service Providers	Total	Years Reported
Alger Delta Cooperative Electric Association	\$767,488	2017 - 2023
Alpena Power Company	1,270,715	2017 - 2023
City of Bay City	1,565,992	2017 - 2023
City of Crystal Falls	86,771	2019 - 2023
City of Dowagiac	84,449	2020 - 2023
City of Gladstone	187,837	2018 - 2023
City of Hart	83,212	2018 - 2023
City of Norway	166,379	2017 - 2023
City of Petoskey	396,440	2017 - 2023
City of St. Louis	151,446	2017 - 2023
Consumers Energy	140,977,974	2017 - 2023
Croswell Light & Power Department	53,711	2020 - 2023
DTE Energy	168,661,798	2017 - 2023
Great Lakes Energy Cooperative	7,811,273	2018 - 2023
Hillsdale Board of Public Utilities	460,193	2017 - 2023
HomeWorks Tri-County Electric Cooperative	1,712,354	2018 - 2023
Indiana Michigan Power Company (AEP)	9,952,331	2017 - 2023
Lowell Light & Power	91,208	2017 - 2019
Marshall Electric Department	353,629	2017 - 2023
Midwest Energy Cooperative	2,457,437	2017 - 2023
Negaunee Department of Public Works	149,283	2017 - 2023
Newberry Water & Light Board	106,536	2017 - 2023
Niles Utilities Department	531,857	2017 - 2023
Northern States Power Company -Wisconsin (Xcel)	688,113	2017 - 2023
Presque Isle Electric & Gas Co-op	2,542,216	2017 - 2023
Thumb Electric Cooperative	914,203	2017 - 2023
Union City Electric Department	115,026	2017 - 2023
Upper Peninsula Power Company	3,424,343	2018 - 2023
Village of Baraga	58,653	2017 - 2023
Village of Clinton	15,786	2017
Total	\$345,838,652	

Source: Annual MEAP Reports from the MPSC

Table 2

Total Amount of MEAP Funding by County	
County	Amount Distributed
Alcona	\$482,806
Alger	1,263,062
Allegan	2,422,253
Alpena	1,167,381
Antrim	714,699
Arenac	1,065,453
Baraga	950,321
Barry	1,268,776
Bay	2,620,925
Benzie	677,455
Berrien	3,606,118
Branch	601,657
Calhoun	8,524,923
Cass	992,482
Charlevoix	426,392
Cheboygan	1,044,726
Chippewa	1,114,780
Clare	2,378,364
Clinton	1,038,911
Crawford	460,280
Delta	2,378,650
Dickinson	481,501
Eaton	1,485,810
Emmet	564,393
Genesee	26,474,166
Gladwin	1,445,317
Gogebic	1,179,049
Grand Traverse	935,479
Gratiot	1,502,350
Hillsdale	1,380,425
Houghton	2,616,984
Huron	478,802
Ingham	3,610,683
Ionia	1,193,366
Iosco	1,246,646
Iron	1,130,785
Isabella	1,442,418
Jackson	7,210,126
Kalamazoo	8,435,077
Kalkaska	865,051
Kent	11,734,709
Keweenaw	166,617
Lake	1,417,103
Lapeer	916,886
Leelanau	177,039
Lenawee	1,335,435
Livingston	1,107,689
Luce	353,133
Mackinac	402,072
Macomb	11,476,662
Manistee	1,212,422

Total Amount of MEAP Funding by County	
County	Amount Distributed
Marquette	\$4,321,650
Mason	1,177,621
Mecosta	1,673,957
Menominee	1,116,644
Midland	2,862,659
Missaukee	896,980
Monroe	1,721,831
Montcalm	1,946,387
Montmorency	302,566
Muskegon	8,770,585
Newaygo	4,038,911
Oakland	12,196,178
Oceana	1,668,419
Ogemaw	1,278,932
Ontonagon	787,135
Osceola	1,008,295
Oscoda	580,925
Otsego	790,867
Ottawa	2,155,207
Presque Isle	329,088
Roscommon	1,345,344
Saginaw	16,503,789
St. Clair	5,294,722
St. Joseph	990,959
Sanilac	1,218,219
Schoolcraft	588,004
Shiawassee	1,748,648
Tuscola	854,636
Van Buren	1,385,634
Washtenaw	4,161,556
Total	\$356,588,850

Source: Annual MEAP Reports from the MPSC

*Amounts between [Table 1](#) and [Table 2](#) differ due to the inclusion of Federal Low-Income Home Energy Assistance Program (LIHEAP) funding that is not remitted by electric service providers.

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