Report to the Illinois General Assembly:
Annual Report for the Good Samaritan Energy Trust Fund,
May 2019

Prepared by the Department of Commerce
and Economic Opportunity

Introduction

Section 35 of the Good Samaritan Energy Plan Act requires the Department to submit a report to the General Assembly on the use and effectiveness of the Good Samaritan Energy Trust Fund. The following is submitted in compliance with this requirement and to provide members of the legislature with information on how the Department of Commerce and Economic Opportunity (the Department) incorporated these funds into existing programs to benefit Illinois low-income households.

Please note that beginning with the 2011 report, all data is being reported on a calendar year basis rather than a state fiscal year basis due to the timing of the availability of necessary information.

Background

In response to sharp increases in home energy costs and high utility bill arrearages, the Good Samaritan Energy Trust Fund was enacted to augment the benefits provided to low–income households in Illinois through the Energy Assistance Act of 1989 that governs the administration of the Low Income Home Energy Assistance Program (LIHEAP).

High electric and gas bill arrearages are a serious problem for low-income utility consumers in Illinois, often impeding access to service. The inability to have electric or gas service connected due to high arrearages is also a threat to the health and safety of many low-income households in Illinois. Eligibility for LIHEAP does not alleviate the burden of high arrearages for low-income utility consumers and is not enough to enable many households to have electric or gas service connected.

The Good Samaritan Energy Trust Fund was created as a special fund in the State treasury to receive moneys from the following sources:

- Voluntary donations from individuals, foundations, corporations, and other sources; and
- Proceeds from fundraising events held for the purpose of generating moneys for the Fund.

Subject to appropriation, the Department is authorized to use these moneys in the following ways:

- Pay gas or electric bill arrearages in order to have household gas or electric utility service connected;
- Give preference to low-income consumers who are unable to have their service connected even with a LIHEAP grant; and
- Ensure that moneys donated for the Fund (other than moneys used for administrative expenses) are distributed to low-income consumers who reside in the county from which those moneys were received.

Deposits into the Fund

As a result of an exhaustive effort to solicit donations through the use of Public Service Announcements, and inserts contained in utility bill mailings, contributions began to be submitted to the fund in January of 2004. The following table lists the deposits for years 2004 to 2018:

Deposits Into The Good Samaritan Energy Trust Fund By Fiscal Year	
State Fiscal Year	Total Receipts
SFY 2004	$1,608
SFY 2005	$31,235
SFY 2006	$2,001,948
SFY 2007	$4,885
SFY 2008	$649
SFY 2009	$1,600
SFY 2010	$935
Calendar Yr. 2010	$845
Calendar Yr. 2011	$135
Calendar Yr. 2012	$75
Calendar Yr. 2013	$150
Calendar Yr. 2014	$50
Calendar Yr. 2015	$60
Calendar Yr. 2016	$25
Calendar Yr. 2017	$0
Calendar Yr. 2018	$0

Footnote: The Calendar Yr. 2010 figures contain $600 that was also reported in SFY10 due to the change in reporting methodology from fiscal year to calendar year.

The contributions made to the fund were minimal in the first year of the fund's existence, but increased in SFY 2005. The deposits in SFY 2006 included a $2 million contribution from ComEd for use in Summer Energy Assistance Programs (Cooling) operated in the summers of 2005 and 2006. Since SFY 2005, excepting the donation from ComEd, the contributions have decreased significantly. In calendar year 2012 there was a $28,500 statutory transfer which appears to be a repayment for a statutory transfer out in 2011 of the same amount. For this reason, this statutory transfer was excluded from the 2012 annual deposits listing above.

Allocations From The Fund

Given the requirement that moneys donated for the Fund (other than moneys used for administrative expenses) are distributed to low-income consumers who reside in the county from which those moneys were received, all deposits are recorded and tracked by county. All funds received for each county are allocated to that county, and made available for use in assisting low–income households to pay their energy costs. Since the balance available for each county is continually fluctuating based on the level of donations, the amount of available funds in each county is constantly monitored. All

requests from Local Administering Agencies (LAAs, sub-grantees who operate LIHEAP throughout the state) for use of these funds to assist clients must be evaluated against the amount of funds available in that county.

Use of Funds

The Department has used Good Samaritan Energy Trust Funds to support and augment its activities under the existing Low Income Home Energy Assistance Program authorized by the Energy Assistance Act of 1989. The client applications for use of these funds are taken by the existing network of 35 LAAs that operate the LIHEAP in all 102 counties throughout the state. Applications for use of the funds are taken under existing LIHEAP policies, procedures, and annual plans, which are all subject to review by the Policy Advisory Council established within the Energy Assistance Act.

The following table represents data on the numbers of households who received benefits from the Good Samaritan Energy Trust Fund by year and county. This table represents the clearest impact of the Good Samaritan Energy Trust Fund in terms of actual numbers of families who benefit from the contributions to the fund.

Households Assisted By Fiscal Year and County		
State Fiscal Year	County	Households Assisted
SFY 2004		0
SFY 2005		0
SFY 2006	Cook	976
SFY 2007	Champaign	1
	Cook	8,336
	Madison	4
	Peoria	1
SFY 2008	Statewide	0
SFY 2009	Statewide	0
SFY 2010	Statewide	0
Calendar Yr. 2010	Statewide	0
Calendar Yr. 2011	Statewide	0
Calendar Yr. 2012	Statewide	0
Calendar Yr. 2013	Statewide	0
Calendar Yr. 2014	Statewide	0
Calendar Yr. 2015	Statewide	0
Calendar Yr. 2016	Statewide	0
Calendar Yr. 2017	Statewide	0
Calendar Yr. 2018	Statewide	0

Due to the tremendous effort required to publicize the fund and solicit donations, there were not sufficient funds available to render benefits to clients in SFY 2004 or SFY 2005.

Beginning in SFY 2006, the funds have been used to assist low-income consumers to enable them to pay gas or electric bill arrearages in order to have household gas or electric utility service connected.

The households served with Good Samaritan Energy Trust Fund benefits during SFY 2006 and SFY 2007 included Summer Energy Assistance (Cooling) funds for approximately 9,000 households in northern Illinois through a $2 Million contribution from ComEd.

The advent of the Good Samaritan Energy Trust Fund has allowed for the following:

- Maintenance or restoration of utility service for thousands of households that might otherwise be disconnected and be without heat during dangerously cold winters;

- Provision of Cooling assistance for thousands of households with elderly, disabled or extremely young members; and

- Greater leveraging of funds from the federal government under the Low Income Home Energy Assistance Block Grant. Under this program all the states compete for a share of a dedicated fund. The allocation is based entirely on how much non-federal funding a state generates.

Appropriations and Expenditures

The two charts below list annual appropriation levels and expenditures for the fund. In an effort to maximize the benefits available for low-income households in Illinois, the Department has elected not to expend the allowed 10% administration limit from the fund.

Appropriations By Fiscal Year	
State Fiscal Year	Amount
SFY 2004	$0
SFY 2005	$500,000
SFY 2006	$500,000
SFY 2007	$2,150,000
SFY 2008	$2,150,000
SFY 2009	$2,150,000
SFY 2010	$2,150,000
SFY 2011	$2,150,000
SFY 2012	$500,000
SFY 2013	$500,000
SFY 2014	$500,000
SFY 2015	$500,000
SFY 2016	$0
SFY 2017	$0
SFY 2018	$0
SFY 2019	$14,500

Although no client benefits were rendered during SFY 2005 due to the lengthy start up process required for this fund, there was a $1,200 statutory transfer during that fiscal year. There were additional statutory transfers out of the fund in the amounts of $7,191 in SFY 2006, $28,500 in March of 2011, and $14,500 in May of 2018. These transfers are not represented in the expenditure table above, as they were not expenditures for the purpose of assisting the intended recipients of the fund.

Expenditures By Fiscal Year	
State Fiscal Year	Amount
SFY 2004	$0
SFY 2005	$0
SFY 2006	$499,612
SFY 2007	$1,506,624
SFY 2008	$0
SFY 2009	$0
SFY 2010	$0
Calendar Yr. 2010	$0
Calendar Yr. 2011	$0
Calendar Yr. 2012	$0
Calendar Yr. 2013	$0
Calendar Yr. 2014	$0
Calendar Yr. 2015	$0
Calendar Yr. 2016	$0
Calendar Yr. 2017	$0
Calendar Yr. 2018	$0

Currently, the Department does not have a practical way to disperse these funds to the LAAs given the small dollar amounts available per county.

The balance of the fund as of this report, May 2019, is $14,472.78.

Recommendations

Although the fund has enabled the Department to assist thousands of low-income Illinois households that may have otherwise been without utility service, many barriers exist that prevent the Department from utilizing the fund to effectively provide assistance to the struggling Illinois families for whom this fund was created.

The following issues prevent the Department from achieving the goals of the fund:

- Requirement that the funds collected be utilized in the county of origin presents administrative challenges;
- The fundraising efforts for this fund are in direct competition with the “dollar more” initiatives of many of the larger utilities in the state, which significantly reduce the contributions; and
- The significant reduction in contributions to the fund over the past several years has resulted in an insufficient amount of funding to make any real impact toward the fund’s initial purpose.

As a result of the barriers outlined in this report, it is the recommendation of the Department that the Good Samaritan Energy Trust Fund be abolished, and that any

residual moneys available in the fund be transferred to the Supplemental Low Income Energy Assistance Fund to be utilized to provide energy assistance payments to eligible low income households according to the LIHEAP program rules.

Conclusion

During the initial years of the fund, the Department was able to successfully utilize the funding provided from the Good Samaritan Energy Trust Fund to improve the lives of low-income Illinois families. However, given the significant barriers that have arisen in the years subsequent to the fund's creation, it no longer has the capacity to provide the impact as initially intended. The Department will seek legislative remedy in the 2020 legislative session.