

To the office of U.S. Representative Eugene Simon Vindman

Re: HR 10081 (119th Congress), No Utility Junk Fees Act • Latest action (2026-08-10): Referred to the House Committee on Energy and Commerce.

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Consumer Utility Fee Integrity Act of 2025

The measure, as described from the official record: To prevent regulated electric utilities from imposing deceptive or unauthorised charges on consumers by making federal energy program financial assistance to states conditional on state adoption and enforcement of rules banning such charges.

THE PROPOSAL

This Act amends the Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.) to condition certain federal financial assistance to states under the State Energy Program (SEP) on the adoption and enforcement of state laws that prohibit electric utilities from imposing charges not explicitly authorised by the state public utility commission or by a written contract with the consumer. The condition applies only to funds allocated for energy efficiency and consumer education programs.

Each state seeking SEP funds for such programs must certify that it has in effect a statute or regulation that (1) requires all charges on a consumer's utility bill to be itemised and clearly described, and (2) prohibits any charge that is not authorised by the state commission or by a separate written agreement signed by the consumer. The certification must be renewed annually.

A state may decline to adopt such a law and instead receive SEP funds for other allowed purposes (e.g., renewable energy deployment, grid modernisation) that are not conditioned on this rule. The Secretary of Energy shall issue guidance defining 'spurious charge' and 'authorised charge' within 90 days of enactment.

The Secretary shall establish a complaint process for consumers and utilities. The Federal Trade Commission shall provide technical assistance. The authority to condition funds under this section shall sunset after 5 years, subject to reauthorisation by Congress.

OPERATIVE PROVISIONS (VFA PROPOSAL)

Funding Source	Existing appropriations for the State Energy Program (SEP) under the Energy Policy and Conservation Act, with no additional authorisation. Funds are redirected from program administration to oversight and enforcement.
Funding Amount	No additional funds authorised; administrative costs covered by SEP administrative budget (estimated \$2 million annually from existing SEP oversight funds).
Sunset Years	5 years

Oversight Body	Department of Energy, Office of Energy Efficiency and Renewable Energy, with technical assistance from the Federal Trade Commission's Bureau of Consumer Protection.
Enforcement Mechanism	States that fail to certify compliance or that are found by the Secretary of Energy, after notice and hearing, to have a pattern of non-enforcement shall lose eligibility for SEP funds for energy efficiency and consumer education programs for the next fiscal year. The Secretary may also require disgorgement of any funds used for such programs during a period of non-compliance.
Effective Date	180 days after enactment, to allow states time to review and adopt necessary laws.

CONSTITUTIONAL BASIS

- Article I, Section 8, Clause 1 (Spending Clause – Congress may attach conditions to federal funds as long as they are related to the federal interest in the program and are not coercive)
- Tenth Amendment (reserving to states powers not delegated to the United States; this solution respects state autonomy by allowing opt-out and limiting condition to specific program purposes)

Concerns with the measure as written:

- The original bill may condition federal funds on state adoption of federal rules, which could intrude on state sovereignty under the Tenth Amendment if the condition is not clearly related to the federal interest in the funded program.
- The bill may lack a clear nexus between the condition (banning spurious charges) and the purpose of the federal energy program (e.g., energy efficiency, renewable energy), raising Spending Clause concerns.
- The original bill does not specify a sunset or oversight mechanism, risking indefinite federal control over state utility regulation.

WHY BOTH SIDES CAN BACK IT (VFA'S ASSESSMENT)

Democratic priorities honored: strong consumer protection against deceptive utility fees, federal oversight to ensure transparency, and enforcement mechanisms. Republican priorities honored: respect for state sovereignty by allowing states to opt out of the condition for certain SEP funds, use of existing state regulatory frameworks, sunset provision to prevent perpetual federal control, and no new federal spending beyond existing appropriations.

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