

Re: National Association of State Energy Offices Request for Information – Implementation Options for Home Energy Performance-Based Whole-House Rebate Program and High-Efficiency Electric Home Rebate Program

Submitted via email to Maddie Koewler (mkoewler@naseo.org) on Friday, March 19th.

Propel appreciates the opportunity to submit comments to the National Association of State Energy Offices (“NASEO”) in response to its request for information on the Inflation Reduction Act (“IRA”) Home Energy Performance-Based Whole-House Rebate (“HOMES”) and High-Efficiency Electric Home Rebate (“HEEHR”) Programs.

Propel builds and operates the [Providers mobile application](#) (“app”), the leading app used by Americans with low incomes who receive support from the Supplemental Nutrition Assistance Program (“SNAP”). Providers enables users to check the balance and transaction history of their Electronic Benefit Transfer (“EBT”) accounts where they receive SNAP. In addition to this core function, Providers offers users a no-monthly-fee, no-overdraft-fee mobile banking account and debit card, which allows them to receive wage income or additional government benefits such as Social Security Disability Insurance (“SSDI”) and track their financial resources seamlessly. Providers users can improve their financial health by finding savings at major retailers, searching for jobs, and accessing information about government programs applicable to them in our Benefits Hub. Over 5 million people across the United States use Providers monthly.

Category 2: Program Elements

Company Information

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Diversity, Equity, Inclusion, and Accessibility (DEIA) Approach

Propel reflects the diverse communities we serve. The company could not exist without a user base that includes many different life experiences, backgrounds, and beliefs. We strive to represent these communities most effectively by having proportional representation within our organization. We actively work towards this goal by:

- Ensuring our job descriptions are inclusive and our sourcing nets are widely cast.
- Establishing processes at every decision making point in hiring, growth, evaluation, and promotion, that act as roadblocks to personal and team-wide biases.
- Establishing systems that objectively measure the effectiveness and success of those processes.

In our hiring process, we also particularly value those with lived experiences around financial hardship and safety net programs. We know that those who come from the communities we serve have an incredibly powerful and unique perspective.

Previous Contracts for Federal or State Programs

Propel has engaged with federal and state programs on a contractual basis in the following ways:

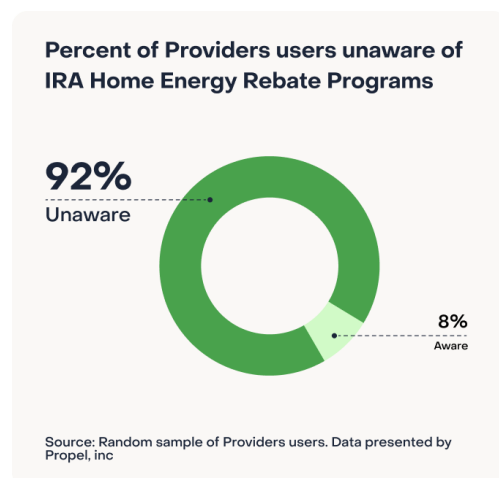
1. Propel is currently a subcontractor for the Kansas Education Enrichment Program (“KEEP”) through our work with Merit, an end-to-end Education Savings Account (“ESA”) administrator. We automatically verify income-based eligibility for applicants for ESAs distributed via KEEP. We verify that an applicant is currently receiving benefits on an EBT card, which means their income is below the required threshold for eligibility. Our verification tool has enabled the distribution of \$2.45 million in funds since accounts started being awarded in March. Please see an article about this work [here](#).
2. Propel was a subcontractor of Reingold, which was a subcontractor to the U.S. Department of Health and Human Services (“HHS”), and raised Covid vaccine awareness among Providers users during the pandemic from 2021-2022.
3. Since May 2022, we run pro bono awareness campaigns for the White House related to the Affordably Connectivity Program (“ACP”) and Lifeline which give low-income American households access to free internet and phone services. In the first three months, we drove 1 million visits to the ACP White House page and raised awareness of the program among our users by 15%.

Program Elements

Raising Awareness

In order to address an awareness gap, states should take a multi-channel marketing approach, ensuring they’ve allocated specific marketing budgets that ladder up to achieving target usage among low income populations.

This approach is important because awareness is one of the biggest hurdles to equitable distribution of the home energy rebate programs. Providers users are SNAP recipients, and state income thresholds to qualify for SNAP are consistently below 80% of Area Median Income (“AMI”), as referenced by Rewiring America in their [Frictionless Income Verification](#)

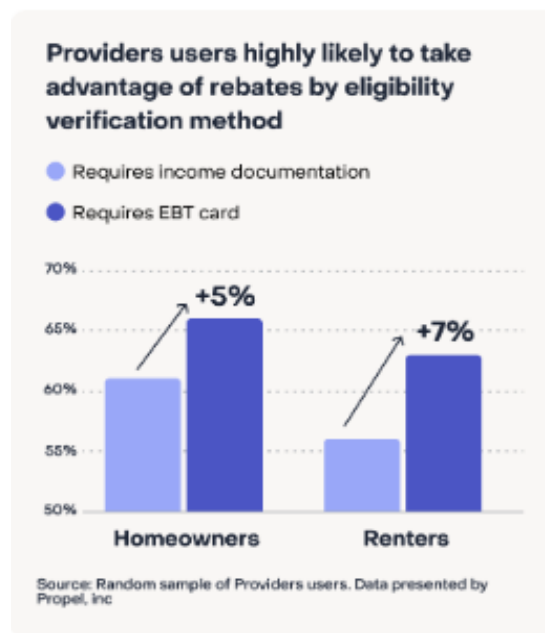


[Methods memo](#). Therefore, our users qualify as the lowest tier of income eligible to receive the rebates. Propel surveyed 4,055 Providers app users in February 2023 and found that 92% of surveyed SNAP respondents are unaware of the IRA home energy rebate programs. According to the Associated Press-NORC Center for Public Affairs Research, [61% of the general public](#) knows little to nothing about the Inflation Reduction Act, highlighting low overall awareness, and a potential inequity in awareness between higher income Americans and those with low incomes.

Propel provides an advertising solution that will help states reach low income Americans to ensure equitable distribution of the rebates. See more about Propel’s advertising service in the “Vendor Interest” section of this document.

Verifying Income Eligibility

We strongly advocate implementing categorical eligibility of other means-tested government programs for income verification. Categorical eligibility is the concept that a program would accept a consumer’s qualification for an alternative program with similar or lower income level requirements as proof of eligibility. Households who partake in other government benefit programs have already shared extensive financial details through time-consuming processes in order to verify their income and qualify.



Given that SNAP income eligibility thresholds are below 80% of AMI across the United States, we believe that SNAP is one example of a program that should be accepted as proof of income for the home energy rebates. Easing the burden of proof of eligibility will make a substantial difference in the uptake of rebates. When Providers users were surveyed about their likelihood of attempting to redeem the rebates if they needed to show proof of income (pay stubs, bank statements, or tax returns) versus if they solely needed to show their EBT card, the percentage of users who identified as “highly likely” to redeem the rebates increased by seven percentage points. This increase represents almost half a million low income consumers on the Providers app alone.

Programs like SNAP can be verified through digital proof of an active EBT card, a service that Propel is currently providing for KEEP. The method is simple and straightforward: applicants provide KEEP with their Providers account email address, date of birth, and zip code. Our tool automatically verifies that the same information

exists in our database, in addition to checking whether the applicant has received a deposit on their EBT card within the last month. A similar method can be used to determine eligibility for the IRA rebates.

Facilitating the Flow of Funds

The point of sale component of the home energy rebate programs is critical to equitable distribution of the rebates. SNAP participants do not typically qualify for financing which may be required to take advantage of other types of rebates that require consumers to pay up front and receive reimbursement. Given the substantial amount of funding available for the rebates, it may also be an undue burden to require contractors, retailers, or manufacturers to provide an appliance free of cost to the consumer and then submit for government reimbursement. Additionally, requiring retailer and contractor submission for reimbursement may create inequity in businesses that can service IRA rebate work, as it might be easier for large retailers to participate compared to small contractor businesses.

The burden on businesses of floating cash for services and products related to the rebates can be eased by flowing the funds to the consumer first. SNAP can serve as a model for this; it's a federally funded, state implemented program in which funds flow to a card that enables a user to spend on a specific set of products at retail businesses. In order to create an analogous program, states should pursue card or virtual wallet technology that:

- **Has stock-keeping-unit (“SKU”) adjudication capabilities**, meaning the funds can only be spent on certain products. Central to this capability is management of an approved product list (“APL”) of all items eligible for rebates. Retailers, manufacturers, and contractors will either need to submit SKUs for approval of inclusion on the list or be explicitly told which SKUs are considered eligible products. If possible, this list should be standardized nationally, much like SNAP’s [national list of eligible products](#), as it will vastly reduce the APL management requirements for technology partners operating across states and decrease implementation costs.
- **Has just-in-time (“JIT”) funding capabilities**, meaning the funds flow from an omnibus account at point-of-sale, rather than a consumer account. While the distribution of SNAP funds onto EBT cards does not currently use a JIT funding approach, this method can prevent consumer cash outs which may or may not be used on eligible products. An additional benefit of JIT funding flowing from an omnibus account is that any returns are also credited back to the omnibus account, which may reduce the potential for fraudulent use of funds.

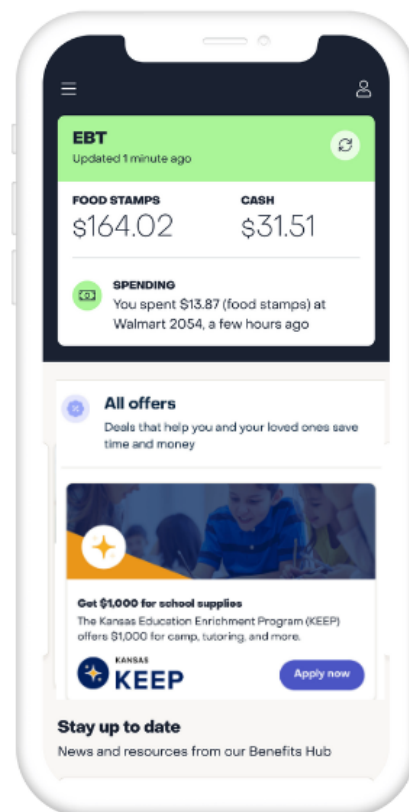
The proposed approach will enable efficiencies across implementation partners and states, in addition to potentially driving higher usage among consumers.

Category 2: Indication of Vendor Interest

Propel can provide the following services related to execution of these programs to State Energy Offices:

Raising awareness: Propel’s Providers app offers unprecedented, brand-safe access to a highly-engaged, niche audience of Americans. Propel raises awareness of a wide variety of programs through our advertising partnerships, including energy-related offers, such as the Low Income Home Energy Assistance Program (“LIHEAP”) and other low income utility discount programs. By advertising on Providers, you’ll instantly connect with a targeted audience that is actively looking for the products and services related to the IRA rebates. We have a highly diverse audience of SNAP and other government benefits recipients.

We run a variety of ad formats and types, including display ads, click-to-call ads, and sponsored content in our Benefits Hub. We can target users by age, language, location, and time on the platform, among other variables. Our users rely on the Providers app for up to date information about government programs, as well, so information about IRA rebates would be a natural extension of content for them.



Verifying income eligibility: If SNAP or other cash benefits received onto EBT cards are accepted as categorical eligibility for the rebates, we can provide income eligibility verification services for Americans under the 80% AMI threshold set by HEEHR. There are over 5 million EBT cards connected to Providers accounts and we are able to service all 50 states, D.C., and Puerto Rico.

EBT card verification entails a consumer opening a Providers account and connecting their EBT card using their EBT card online account credentials. Propel then automatically checks that they received a deposit as recently as states want to consider them as active benefits recipients. If verified, we would then render a QR code they can use at retailers, with contractors, or anywhere else that provides rebate-eligible products and services.

Propel currently runs the EBT verification service for KEEP, an ESA distribution program in Kansas. We have driven more applications and uptake for the program than any

other marketing channel, facilitating distribution of \$2.45 million for education-related spending to SNAP recipients within two months.

Facilitating the flow of funds: If states are interested in the card or virtual wallet solution outlined above (on page 4) to facilitate flowing funds to consumers first, Propel would be willing to work with them to scope out the requirements and determine if we or others in the financial technology space can develop this solution. We are the card program manager for the Providers debit card, so we have a strong foundation of technological and operational capabilities required to enable payment rails relevant to the solution outlined.

We are happy to provide further information on these services to any interested NASEO members. Please reach out to partnerships@joinpropel.com.

Thank you again for the opportunity to comment in response to this request for information. We know these are not typically home upgrades that are in reach financially for low-income households and are eager to help connect them to these resources as program implementation begins.

Propel authorizes NASEO to publish and distribute this response to the NASEO RFI on its website and through other means to the states and general public. We have included no confidential or proprietary information in our response.

Sincerely,



Jimmy Chen
Founder and Chief Executive Officer
March 3, 2023