

OFFICE OF FISCAL ANALYSIS

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sHB-5426

AN ACT CONCERNING FUEL VENDOR REIMBURSEMENT UNDER THE LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM, A COMMON HEATING ASSISTANCE APPLICATION, AND STUDIES REGARDING BULK FUEL PURCHASES AND VENDOR PAYMENT BEST PRACTICES.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Social Services, Dept.	FF - Cost	See Below	See Below

Note: FF=Federal Funds

Municipal Impact: None

Explanation

The bill results in a cost to the Department of Social Services (DSS) of approximately \$500,000 in FY 25 associated with system adjustments. The bill requires DSS to develop and implement a common application and benefits portal for the Low-Income Home Energy Assistance Program (LIHEAP) and Operation Fuel, Inc, by 7/1/25. It is anticipated that DSS would include the costs for such adjustments in the federal LIHEAP allocation plan.

The bill also requires DSS to establish pricing standards for deliverable fuel under LIHEAP, by 8/1/25, to fairly compensate fuel vendors while maintaining the maximum amount of funding for benefits under the program.

While the requirements of the bill do not result in a net fiscal impact to the state, they will impact the allocation of federal funds supporting

Primary Analyst: ES
Contributing Analyst(s): LD
Reviewer: LD

4/8/24

LIHEAP.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to deliverable fuel pricing standards.