

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.

As Amended by House "A" (LCO 5532), House "B" (LCO 5829)
House Calendar No.: 228

OFA Fiscal Note

State Impact:

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

Note: FF=Federal Funds

Municipal Impact: None

Explanation

The bill requires the Department of Social Services (DSS) to establish pricing standards for deliverable fuel under the Low-Income Home Energy Assistance Program (LIHEAP), by 8/1/25, to fairly compensate fuel vendors while maintaining the maximum amount of funding for benefits under the program. While the bill does not result in a net fiscal impact to the state, it is anticipated to impact the allocation of federal LIHEAP funds across program components.

The bill also requires DSS to conduct studies related to low-income home energy assistance, which has no fiscal impact. The studies address (1) fuel vendor compensation and program benefits, and (2) developing a common application and benefits portal for use by applicants for low-income home energy assistance and Operation Fuel.

House "A" strikes the language in the underlying bill and the

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associated fiscal impact and requires DSS to conduct studies related to low-income energy assistance.

House “B” adds the requirement that DSS establish pricing standards for deliverable fuel under LIHEAP, which is anticipated to impact the allocation of federal LIHEAP funds.

The Out Years

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

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst’s professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.