

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1952

S.P. 760

In Senate, May 7, 2025

An Act Regarding Home Heating Fuel Assistance

Reference to the Committee on Health and Human Services suggested and ordered printed.

A handwritten signature in black ink, appearing to read "D M Grant", is positioned above the printed name of the Secretary of the Senate.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator BALDACCI of Penobscot.

1 Be it enacted by the People of the State of Maine as follows:

2 Sec. 1. 5 MRSA §12004-I, sub-§36-G is enacted to read:

3 **36-G.**

4 <u>Human</u>	<u>Home Heating Fuel Assistance Task</u>	<u>Expenses Only</u>	<u>22 MRSA</u>
5 <u>Services</u>	<u>Force</u>		<u>§1700-G</u>

6 Sec. 2. 22 MRSA c. 279 is enacted to read:

7 **CHAPTER 279**

8 **HOME HEATING FUEL ASSISTANCE**

9 **§1700-E. Definitions**

10 As used in this chapter, unless the context otherwise indicates, the following terms
11 have the following meanings.

12 **1. Applicant.** "Applicant" means an individual who applies to the program for
13 assistance.

14 **2. Dwelling unit.** "Dwelling unit" means any room, group of rooms or other areas of
15 a structure designed or used for human habitation.

16 **3. Household.** "Household" means an individual or group of individuals who live
17 together as one household for whom home heating fuel is customarily purchased in
18 common or who make undesignated payments for home heat in the form of rent.

19 A. The following individuals are members of the same household based on their being
20 legally responsible for the financial support of the applicant or recipient or another
21 member of the household:

22 (1) An individual residing in the dwelling unit who is the spouse, domestic partner
23 or minor child of the applicant or recipient; and

24 (2) An individual residing in the dwelling unit who is the parent of any minor child
25 included in the household; any minor child of such parent not already included in
26 the household; the spouse or domestic partner of any minor child included in the
27 household; or the minor child of any minor child included in the household.

28 B. The following individuals are presumed to be members of the same household,
29 unless the applicant or recipient provides to the office reasonable evidence that those
30 individuals are not members of the same household:

31 (1) An individual residing in the dwelling unit who is related by blood, marriage,
32 domestic partnership or adoption to another resident of the dwelling unit and has
33 not been included in the household under paragraph A. Those relationships include
34 the relationship of the applicant or recipient to the applicant's or recipient's parent,
35 grandparent, adult child, grandchild, sibling, stepparent or stepsibling; and

36 (2) An unrelated individual residing in the dwelling unit who does not pay
37 reasonable compensation to rent one or more rooms in the dwelling unit as separate
38 living quarters, or who does not make reasonable compensation in the form of

1 caregiver services in the case of an applicant or recipient who is 60 years of age or
2 older or has a disability.

3 C. The following individuals are presumed not to be members of the same household,
4 unless the applicant or recipient provides to the office reasonable evidence that those
5 individuals are members of the same household:

6 (1) An individual in foster care and individuals placed in a home by or through a
7 program administered by the department; and

8 (2) An individual providing medically necessary caregiver services or homemaker
9 services to a member of the household who is 60 years of age or older or has a
10 disability.

11 **4. Office.** "Office" means the Office of Home Heating Fuel Assistance established in
12 section 1700-G, subsection 1.

13 **5. Program.** "Program" means the Home Heating Fuel Assistance Program
14 established in section 1700-F, subsection 1.

15 **6. Recipient.** "Recipient" means an individual who receives assistance from the
16 program.

17 **7. Task force.** "Task force" means the Home Heating Fuel Assistance Task Force
18 established in Title 5, section 12004-I, subsection 36-G and described in section 1700-G,
19 subsection 3.

20 **§1700-F. Program established; administration**

21 **1. Program established.** The Home Heating Fuel Assistance Program is established.
22 The department shall administer the program through the Office of Home Heating Fuel
23 Assistance.

24 **2. Rules.** The commissioner shall adopt rules necessary for the implementation of this
25 chapter or pursuant to any applicable federal laws or regulations. Rules adopted under this
26 subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

27 **3. Purchasing practices.** The commissioner shall engage in cost-effective purchasing
28 practices to maximize the use of public funds used in connection with the program. These
29 practices must include, before the heating season begins, purchases of home heating fuel,
30 fixed price agreements, automatic home heating fuel delivery and negotiations with home
31 heating fuel suppliers on behalf of program recipients for additional home heating fuel price
32 discounts. The practices required by this subsection must be used in connection with all
33 applicable home heating fuels purchased by program recipients. The commissioner must
34 make available to program recipients the list of home heating fuel suppliers that have
35 agreed to provide home heating fuel price discounts.

36 **§1700-G. Office of Home Heating Fuel Assistance**

37 **1. Office established.** The Office of Home Heating Fuel Assistance is established
38 within the department and is headed by a director appointed by the commissioner.

39 **2. Duties.** The duties of the office include:

40 A. Administering the program;

1 B. Administering the federal Low-Income Home Energy Assistance Program under
2 42 United States Code, Section 8621 et seq., and coordinating the Low-Income Home
3 Energy Assistance Program with other related heating and weatherization programs;

4 C. Developing and recommending policy changes for the commissioner;

5 D. Coordinating home energy advocacy training and statewide outreach;

6 E. Monitoring related federal developments and projects in other states;

7 F. Exploring alternative and additional funding possibilities in addition to the federal
8 Low-Income Home Energy Assistance Program under 42 United States Code, Section
9 8621 et seq., both private and public; and

10 G. Preparing a written annual report addressing the functions set forth in this chapter
11 as well as energy needs; caseload and funding projections; recommendations, if any,
12 for appropriate pilot projects; and, in coordination with the Home Heating Fuel
13 Assistance Task Force, recommendations to the Legislature.

14 **3. Task force.** The Home Heating Fuel Assistance Task Force is established pursuant
15 to Title 5, section 12004-I, subsection 36-G to advise the office. The task force is composed
16 of the commissioner or the commissioner's designee and the following members appointed
17 by the commissioner: one member of the low-income community, one representative of
18 older residents of this State, one representative of individuals with disabilities, one
19 representative of unregulated home heating fuel providers, one representative of electric
20 utilities and one representative of gas utilities. Members of the task force are entitled to
21 reimbursement for reasonable travel and meal expenses. The task force shall report
22 regularly to the director of the office and, on request, to the Legislature for the purpose of
23 making recommendations for improving the program.

24 **§1700-H. Eligible recipients; requirements**

25 **1. Income requirements.** The commissioner or the commissioner's designee shall by
26 rule establish household income eligibility requirements of recipients under the program,
27 including the income of all members of the household. The income eligibility requirements
28 must require that households have a gross household income no greater than 185% of the
29 federal poverty level and not in excess of the maximum income established by the federal
30 Low-Income Home Energy Assistance Program under 42 United States Code, Section
31 8621, et seq. in order to be potentially eligible for benefits.

32 **2. Cost estimate table.** The commissioner or the commissioner's designee shall by
33 rule establish a table that contains amounts that function as a proxy for applicant
34 households' annual home heating fuel cost for the previous year. The seasonal home heating
35 fuel expenditure estimates contained within the table must closely approximate the actual
36 home heating costs experienced by recipients under the program. The table must be revised
37 at least every 3 years based on data supplied by certified home heating fuel suppliers and
38 other industry sources to the office. The commissioner or the commissioner's designee shall
39 provide a draft of the table to the task force and solicit input from the task force prior to
40 finalizing the table.

41 **3. Determination of home heating fuel costs.** In determining home heating fuel costs
42 for households:

1 A. Residents of housing units subsidized by the federal, state or local government must
2 be considered to have incurred no annual home heating fuel costs, except to the extent
3 required by any federal law or regulation if federal funds are used for the program.
4 Housing unit residents who receive federal supplemental security income or municipal
5 general assistance benefits that are used in whole or in part to pay for housing or utility
6 costs and do not receive other federal, state or local government assistance targeted
7 specifically to housing or utility needs, with the exception of households for which the
8 cost of heat is supplied by the landlord, must be assumed to incur annual home heating
9 fuel costs and their eligibility for annual home heating fuel assistance may not be
10 limited by this section; and

11 B. The annual home heating fuel cost for a household may include only the cost of the
12 primary home heating fuel source of the household, including wood, electricity or any
13 other home heating fuel source, except that annual home heating fuel costs may include
14 only the cost of heat and may not include the cost of the fuel for any other uses of the
15 household.

16 **§1700-I. Benefit amounts**

17 **1. Percentage table.** The commissioner or the commissioner's designee shall by rule
18 establish a table that specifies maximum percentages of applicant households' annual home
19 heating fuel costs, based on the cost estimate table established pursuant to section 1700-H,
20 subsection 2, that may be authorized for payment as annual home heating fuel assistance
21 benefits for the following year. The maximum percentages contained within this table must
22 vary by household size and annual household income. The percentage may not exceed 90%
23 of applicant households' annual home heating fuel costs.

24 **2. Maximum percentages of costs.** The maximum percentages contained in the table
25 established in subsection 1 must provide proportionally higher benefit percentages to
26 households with a gross income of 154% of the federal poverty level or less and
27 proportionally lower benefit percentages to households with a gross income of 155% to
28 185% of the federal poverty level.

29 **3. Payment rate.** Annually, based on the number of eligible households that have
30 applied to or are projected to apply for the program, and on the eligibility of households in
31 the benefit categories under subsection 2, the commissioner or the commissioner's designee
32 shall by rule set the payment rate that must be used to determine the amount of annual home
33 heating fuel assistance for each eligible household. The payment rate may not be greater
34 than 100% of the maximum percentages under subsection 1.

35 **4. Calculation of benefits.** In the case of a household for which the cost of heat is not
36 supplied by the landlord, the household's annual home heating fuel assistance benefit is the
37 household's annual home heating fuel cost as described in section 1700-H, subsection 2
38 multiplied by the maximum percentage for that household in the table established by
39 subsection 1 and multiplied by the payment rate established in subsection 3.

40 **5. Certain households not participating in programs.** Households that are not
41 participating in a public, subsidized or Section 8 housing program under the United States
42 Housing Act of 1937, Public Law 75-412, 50 Stat. 888, Section 8, as amended, are eligible
43 for an annual home heating fuel assistance benefit under the program in an amount equal
44 to 30% of the benefit the household would have received if the household were purchasing
45 home heating fuel directly or in the amount of \$50, whichever amount is greater.

1 **6. Certain households participating in programs.** Households that are participating
2 in a public, subsidized or Section 8 housing program under the United States Housing Act
3 of 1937, Public Law 75-412, 50 Stat. 888, Section 8, as amended, are eligible for an annual
4 home heating fuel assistance benefit in the amount of \$21.

5 **7. Residents paying room rent.** Residents of a dwelling unit who make reasonable
6 compensation in the form of room rent and who are not members of the same household
7 are eligible for an annual home heating fuel assistance benefit in the amount of \$21.

8 **§1700-J. Application period; assistance**

9 **1. Acceptance of applications.** The commissioner or the commissioner's designee
10 may accept applications for the program beginning April 1, 2026. The commissioner or the
11 commissioner's designee may establish by rule the procedure for accepting applications
12 and determining eligibility under this subsection.

13 **2. Late-filed application.** An eligible applicant may not be penalized through a
14 reduction of benefits for a late-filed application, except that the applicant may not receive
15 benefits for any period prior to the month of application.

16 **3. Duties of commissioner.** The commissioner or the commissioner's designee shall
17 process applications and perform related tasks, including assisting households in applying
18 and providing required information for the program and locating and contacting home
19 heating fuel suppliers certified under section 1700-K.

20 **§1700-K. Payments to home heating fuel suppliers**

21 **1. Certification of home heating fuel suppliers.** The commissioner or the
22 commissioner's designee shall certify home heating fuel suppliers, excluding firewood and
23 wood pellet suppliers, to be eligible to participate in the program. A recipient may use the
24 home heating fuel assistance benefit to obtain home heating fuel only from a home heating
25 fuel supplier certified by the commissioner, except that a recipient who heats with firewood
26 or wood pellets may obtain firewood or wood pellets from any supplier that the recipient
27 chooses.

28 **2. Duties of certified home heating fuel suppliers.** Certified home heating fuel
29 suppliers shall agree to conduct reasonable efforts in order to inform and assist recipients
30 in the supplier's service area, maintain records of amounts and costs of all home heating
31 fuel deliveries and send periodic statements to recipients receiving home heating fuel
32 assistance informing the recipients of account credit or debit balances as of the last
33 statement, deliveries or usage since that statement and the charges for those deliveries or
34 that usage, payments made or applied since that statement, indicating their source, and the
35 ending credit or debit balance. Certified home heating fuel suppliers shall also agree to
36 provide the commissioner or the commissioner's designee that information considered
37 necessary for the efficient administration of the program.

38 **3. Disclosure prohibited.** Certified home heating fuel suppliers may not disclose the
39 recipient status of recipients of program benefits, the names of recipients or other
40 information pertaining to recipients to anyone, except for purposes directly connected with
41 the administration of the program or when required by law.

42 **4. Budget agreements and discounts.** Certified home heating fuel suppliers shall
43 agree to enter into budget agreements with recipients for monthly payments itemized for
44 the year for home heating fuel supplies, as long as the recipient meets accepted industry

1 credit standards, and shall grant recipients such cash discounts, delivery savings before the
2 heating season begins, automatic home heating fuel delivery agreements and any other
3 discounts granted to any other home heating fuel customer or as the commissioner or the
4 commissioner's designee may negotiate with certified home heating fuel suppliers.

5 **5. List.** The commissioner or the commissioner's designee shall provide each certified
6 home heating fuel supplier with a list of the households eligible for the program that are
7 the supplier's customers, the total amount of annual home heating fuel assistance that has
8 been authorized for each household and the allocation of the total amount for the winter
9 heating season. Each authorized amount functions as a line of credit for each eligible
10 household. The commissioner or the commissioner's designee shall disburse authorized
11 home heating fuel assistance benefits to certified home heating fuel suppliers on behalf of
12 eligible households. Authorized benefits for oil, propane, kerosene, dyed diesel and coal
13 must be paid after home heating fuel is delivered and invoiced to the commissioner or the
14 commissioner's designee. Authorized benefits for electricity and natural gas must be paid
15 in full and credited to the eligible household's account at the same time benefit notices are
16 issued to the eligible household.

17 **6. Natural gas suppliers.** The Public Utilities Commission shall require natural gas
18 suppliers to provide a discount program to customers with incomes no greater than 200%
19 of the federal poverty level or who meet the income eligibility requirements for the crisis
20 home heating fuel assistance component of the program under section 1700-L. Eligibility
21 for the discount must be verified by the department.

22 In implementing the discount program, the Public Utilities Commission shall consider:

23 A. Low-income discount programs, rates and cost structures of other regulated utilities
24 in this State;

25 B. Low-income discount programs, rates and cost structures for gas customers in other
26 states; and

27 C. Options for allocating the costs of the discount program that avoid or reduce the
28 cost impact of the program on ineligible ratepayers, including consideration of each of
29 the following:

30 (1) Use of revenues collected from ratepayers that are in excess of the revenue
31 requirement most recently determined by the Public Utilities Commission; and

32 (2) Use of revenues collected from ratepayers to fund system expansions that have
33 not been placed in service.

34 **§1700-L. Crisis reserves; eligibility and assistance**

35 **1. Crisis home heating fuel assistance.** Annually, the commissioner or the
36 commissioner's designee shall determine an appropriate amount of funds to be set aside for
37 expenditure for the crisis home heating fuel assistance component of the program. The
38 commissioner or the commissioner's designee shall also adopt rules to define crisis
39 situations for the expenditure of the home heating fuel crisis funds and to establish the
40 income eligibility requirements of households for receipt of crisis home heating fuel
41 assistance. The rules must provide that a household whose gross household income is
42 greater than 200% of the federal poverty level based on the income of all individuals
43 residing in the household is not eligible. Rules adopted under this subsection are routine
44 technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

2. Limits. Crisis home heating fuel grants may be limited per winter heating season to one grant for households that are eligible under subsection 1 and have received a seasonal fuel assistance grant and meet all eligibility requirements for crisis home heating fuel assistance. Crisis home heating fuel grants may also be limited to 2 grants for households that are not eligible under subsection 1 for seasonal home heating fuel assistance benefits under the program and meet all eligibility requirements for crisis home heating fuel assistance.

Sec. 3. Duties of Public Utilities Commission. On or before January 15, 2027, the Public Utilities Commission shall:

1. Implement the provisions of the Maine Revised Statutes, Title 22, section 1700-K, subsection 6 by order to each natural gas supplier under the jurisdiction of the Public Utilities Commission; and

2. Report to the joint standing committee of the Legislature having jurisdiction over health and human services matters and the joint standing committee of the Legislature having jurisdiction over utilities matters on the implementation of those provisions, including consideration of the matters described in Title 22, section 1700-K, subsection 6 and the results of that consideration.

SUMMARY

This bill establishes the Home Heating Fuel Assistance Program and the Office of Home Heating Fuel Assistance within the Department of Health and Human Services. The Commissioner of Health and Human Services must engage in cost-effective purchasing practices to maximize the use of public funds, including purchases of home heating fuel before the heating season begins, fixed price agreements, automatic home heating fuel delivery and negotiations with home heating fuel suppliers on behalf of program recipients. The commissioner must establish by rule income eligibility requirements and how to determine the amount of benefits an eligible person may receive. The commissioner is also required to certify home heating fuel suppliers to be eligible to participate in the program.

The Office of Home Heating Fuel Assistance administers the program and the federal Low-Income Home Energy Assistance Program, develops and recommends policy changes for the commissioner, explores alternative and additional funding possibilities, both public and private, and prepares an annual report. The bill establishes the Home Heating Fuel Assistance Task Force to advise the office.

The bill requires the commissioner to set aside funds for the crisis home heating fuel assistance component of the program and adopt rules governing crisis situations for the expenditure of the home heating fuel crisis funds and to establish the income eligibility requirements of households for receipt of crisis home heating fuel assistance.

The bill also directs the Public Utilities Commission to require natural gas suppliers to provide a discount program to income-eligible customers.