



S.F. No. 486 – Supplemental Energy Assistance Grant Program (as amended by the A-2 amendment)

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S.F. 486 establishes an energy assistance grant program administered by the department of commerce. The energy assistance grant program is a supplement to the Low-Income Home Energy Assistance Program (LIHEAP). LIHEAP is a federal program that helps low-income households pay for home energy costs.

The supplemental energy assistance grant program will assist households with low incomes, who pay a high proportion of household income for home energy, in meeting their immediate home energy needs, providing assistance with the costs of heating, cooling, and other home energy use throughout the year.

Section 1 of the bill defines LIHEAP, crisis grant, and primary energy grant.

The bill requires the commissioner to develop policies and procedures for the grant application and award process, using existing LIHEAP application processes and infrastructure. The commissioner must issue grants throughout the fiscal year in which money is appropriated as well as during subsequent years until the allocated funds are exhausted.

To be eligible for a grant, the applicant must be a Minnesota resident whose household income is below the income eligibility threshold identified in the Minnesota LIHEAP Detailed Model Plan submitted to the U.S. Department of Health and Social Services for the respective program year.

The commissioner must give priority to expanding the number of households receiving energy assistance over increasing grant amounts to households that already received assistance under LIHEAP during the same year.

The commissioner may award the following types of grants:

- (1) crisis grants to households that received a LIHEAP primary energy grant from federal funds but did not receive the maximum crisis amount;
- (2) primary energy and crisis grants to eligible households that did not receive LIHEAP primary energy and crisis grants;
- (3) emergency heating system repair or replacement; and
- (4) grants to support outreach.

Beginning December 31, 2026 to December 31, 2031, the commissioner is required to publish an annual report regarding the state supplemental energy assistance funding. The commissioner must collect report information by statewide total, by county, and by census tract within cities with populations over 30,000. Any reporting under this section must comply with chapter 13, which is the Minnesota Data Practices Act.

Section 2 of the bill appropriates a blank amount from the general fund to the commissioner of commerce for the supplemental energy assistance grant program. 12.5 percent of the appropriated funds may be used to administer the grant program. Five percent of the funds may be used to reimburse organizations the department of commerce has contracted with to provide outreach and assistance to households to complete grant applications.



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