



April 30, 2026

RE: SF4504, An Act to Establish a Supplemental Energy Assistance Grant Program and Appropriation

Contact: Christian Koch, Midwest Policy Manager, ckoch@ceres.org

Dear Chair Marty, Vice Chair Frentz, Ranking Minority Member Pratt, and members of the Minnesota Senate Finance Committee:

Thank you for the opportunity for Ceres to provide testimony in support of SF4504, which concerns appropriating \$15 million to establish and appropriate funding for a supplemental energy assistance grant program.

Ceres is a nonprofit advocacy organization working to accelerate the transition to a cleaner, more just, and resilient world. We inspire investors and companies — including the 80 major brands that make up the [Ceres Policy Network](#) — to advance actions and advocate for policies that reduce pollution and invest in solutions to build a cleaner economy.

Funding from the Low-Income Home Energy Assistance (LIHEAP or EAP) helps ensure that utility bills are paid. In Minnesota alone, tens of thousands of households fall behind on energy bills each year, with disconnections reaching record levels and arrears totaling over \$100 million.¹ **Without assistance, these unpaid balances are often socialized across the system, increasing costs for utilities and, ultimately, other ratepayers. LIHEAP reduces this risk by keeping customers current and utilities financially stable.**

In Minnesota, the program delivers over \$130 million annually, acting as an economic stabilizer.² **LIHEAP reduces costly emergencies and infrastructure strain.** By funding preventive measures such as furnace repair and fuel deliveries, the program avoids more expensive crisis interventions and service disruption, helping utilities better manage load and customer accounts, reducing administrative and operational costs associated with shutoffs and reconnections.

Finally, LIHEAP strengthens workforce and economic productivity. When families can maintain heat and electricity, they are better able to stay healthy, remain employed, and participate in the economy. Energy insecurity, by contrast, leads to missed work, health complications, and financial instability, all of which carry downstream costs for businesses and the state.

¹ https://www.house.mn.gov/sessiondaily/Story/18650?utm_source=chatgpt.com

² https://www.house.mn.gov/sessiondaily/Story/18650?utm_source=chatgpt.com

LIHEAP is not just a social program, it is a smart economic investment. It keeps energy markets functioning, reduces cost-shifting, supports local businesses, and strengthens economic resilience across communities.

For these reasons, Ceres urges your support to pass SF4504 with the \$15 million appropriation to maintain and strengthen LIHEAP funding to ensure continued stability for both households and the broader economy.

Sincerely,

Christian Koch,
Manager, Midwest Policy