

H.F. 771

As amended by H0771DE2

Subject Heating assistance grants**Authors** Kraft**Analyst** Bob Eleff**Date** March 24, 2025**Summary**

House File 771, as amended by the H0771DE2 amendment, establishes a program to use \$36 million in general fund revenues to award grants to low-income households as a supplement to the federal Low-Income Home Energy Assistance Program (LIHEAP).

LIHEAP pays grants directly to the companies providing heat to these households. According to the Department of Commerce's Energy Assistance Program Dashboard (<https://mn.gov/commerce/energy/policy-data-reports/energy-assistance-dashboard/>), about 105,000 Minnesota households have received grants during the current heating season, averaging \$720 per household. While the income eligibility threshold for LIHEAP is \$36,000 for an individual and \$58,845 for a family of four, the average grantee's household income this year is about \$25,000. Forty-seven percent of grantee households contain a person more than 60 years old; 17 percent have a child under six years of age in the household; and 41 percent have a disabled household member.

Like LIHEAP, House File 771 would award grants to help pay heating bills, to make emergency heating system repairs, and to pay energy bill arrears in order to avoid disconnections. The bill goes beyond current LIHEAP by allowing funds to be used toward electricity bills, which may be used for cooling and other purposes.

The bill requires that preference be given to applicants that have not received LIHEAP grants in the same program year in which they apply for these state funds, and that LIHEAP funds be exhausted before grant awards are made under this program. The funds are available for three years.