



General Assembly

Bill No. 2100

October 25 Special
Session, 2005

LCO No. 8487

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Referred to Committee on No Committee

Introduced by:

SEN. WILLIAMS, 29th Dist.

REP. AMANN, 118th Dist.

AN ACT CONCERNING EMERGENCY HOME HEATING ASSISTANCE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) Notwithstanding the provisions of
2 sections 4-28b and 16a-41a of the general statutes, the Commissioner of
3 Social Services shall amend the adopted low income home energy
4 assistance program block grant allocation plan for the purpose of
5 modifying the 2005/2006 Connecticut energy assistance program state
6 plan in the following manner: (1) To increase the basic benefit
7 provided to all eligible households, including eligible households
8 whose heat is included in their rent, by two hundred dollars, (2) to
9 fund the contingency heating assistance program under the
10 Connecticut energy assistance program to provide a three hundred
11 dollar basic benefit to eligible households, as defined in the
12 Connecticut energy assistance program state plan, whose gross annual
13 income is not more than sixty per cent of the median state income by
14 household size, and an additional two hundred dollar crisis assistance
15 benefit for such households who have exhausted their basic benefit

16 and are unable to secure primary heat, causing a life threatening
17 situation, (3) to increase the number of households weatherized
18 pursuant to the Connecticut energy assistance program, and (4) to
19 increase the number of households receiving home heating equipment
20 tune-ups and home energy efficiency measures pursuant to the home
21 energy assistance and reimbursements for tune-ups on heating
22 equipment grant program as administered pursuant to subsection (c)
23 of section 2 of this act.

24 Sec. 2. (*Effective from passage*) (a) For purposes of this section:

25 (1) "HEARTH program" means the home energy assistance and
26 reimbursements for tune-ups on heating equipment grant program, as
27 established by this section;

28 (2) "Eligible contractor" means a petroleum product dealer
29 registered pursuant to section 16a-22a of the general statutes, a gas
30 company as defined in section 16-1 of the general statutes, as amended
31 by sections 1 and 2 of public act 05-1 of the June special session, an
32 electric distribution company, as defined in said section 16-1, or a
33 municipal utility;

34 (3) "Eligible good or service" means home heating equipment tune-
35 ups or the installation or provision of water heater blankets, window
36 film or programmable thermostats; and

37 (4) "Secretary" means the Secretary of the Office of Policy and
38 Management.

39 (b) The Secretary of the Office of Policy and Management, in
40 conjunction with the Commissioner of Social Services, shall establish a
41 home energy assistance and reimbursements for tune-ups on heating
42 equipment grant program for the fiscal year ending June 30, 2006.
43 Pursuant to such program, the secretary shall reimburse an eligible
44 contractor in an amount not exceeding fifty dollars per household for
45 an eligible good provided or eligible service performed.

46 (c) The commissioner shall administer the HEARTH program for
47 households that are eligible for the Connecticut energy assistance
48 program, as amended by the provisions of section 1 of this act, in
49 accordance with Connecticut energy assistance program procedures
50 for households heating with deliverable fuels or natural gas.

51 (d) (1) The secretary shall administer the HEARTH program for
52 households that are not eligible for the Connecticut energy assistance
53 program, as amended by the provisions of section 1 of this act. The
54 secretary may, subject to the provisions of chapter 67 of the general
55 statutes, employ such agents, assistants and employees as he or she
56 deems necessary to carry out the provisions of this section. The
57 secretary may adopt regulations, in accordance with the provisions of
58 chapter 54, to implement the provisions of this section.

59 (2) Households that do not qualify for the Connecticut energy
60 assistance program, as amended by the provisions of section 1 of this
61 act, may request from the secretary a prequalification certificate for not
62 more than fifty dollars of eligible goods or services. An eligible
63 contractor shall not apply to the secretary for reimbursement pursuant
64 to the HEARTH program for eligible goods and services unless the
65 eligible contractor submits such certificate, along with a copy of the
66 invoice, with its application to the secretary.

67 (e) An eligible contractor that submits an application pursuant to
68 the HEARTH program shall not charge the subject customer a price for
69 a good or service that is in excess of a price for the same good or
70 service for a customer who does not have a prequalification certificate
71 for the HEARTH program or who is not eligible for the Connecticut
72 energy assistance program, as amended by the provisions of section 1
73 of this act. Eligible contractors who will receive reimbursement
74 pursuant to this program shall deduct the amount of such
75 reimbursement from any invoice provided to the subject customer for
76 the eligible good or service. Failure to comply with the provisions of
77 this subsection shall be deemed to be an unfair trade practice within

78 the provisions of chapter 735a of the general statutes.

79 Sec. 3. (*Effective from passage*) The sum of one million dollars is
80 appropriated to the Office of Policy and Management, from the
81 General Fund, for the fiscal year ending June 30, 2006, for the purpose
82 of fulfilling the duties of the Secretary of the Office of Policy and
83 Management pursuant to section 2 of this act.

84 Sec. 4. (*Effective from passage*) (a) For purposes of this section,
85 "residential weatherization products" means programmable
86 thermostats, window film, caulking, window and door weather strips,
87 insulation, water heater blankets, water heaters that meet the federal
88 Energy Star standard, natural gas furnaces that meet the federal
89 Energy Star standard, windows that meet the federal Energy Star
90 standard, and oil furnaces that are not less than eighty-five per cent
91 efficient.

92 (b) Notwithstanding the provisions of the general statutes, from
93 November 25, 2005, to April 1, 2006, the provisions of chapter 219 of
94 the general statutes shall not apply to sales of any residential
95 weatherization products.

96 Sec. 5. (*Effective from passage*) Notwithstanding the provisions of
97 section 16a-40b of the general statutes, as amended by section 5 of
98 public act 05-191, for the fiscal year ending June 30, 2006, the range of
99 rates of interest payable on all loans pursuant to subsection (b) of said
100 section 16a-40b for purchases set forth in subsection (a) of said section
101 16a-40b, except for goods or services relating to aluminum or vinyl
102 siding, replacement central air conditioning, replacement roofs, heat
103 pumps or solar systems and passive solar additions, shall be not less
104 than zero per cent for any applicant in the lowest income class and not
105 more than three per cent for any applicant for whom the adjusted
106 gross income of the household member or members who contribute to
107 the support of the household was at least one hundred fifteen per cent
108 of the median area income by household size.

109 Sec. 6. (*Effective from passage*) The State Bond Commission shall have
110 the power, from time to time, to authorize the issuance of bonds of the
111 state in one or more series and in principal amounts not exceeding in
112 the aggregate five million dollars. The proceeds of the sale of said
113 bonds shall be deposited in the Energy Conservation Loan Fund
114 established under section 16a-40a of the general statutes for the
115 purposes of making and guaranteeing loans and deferred loans as
116 provided in section 5 of this act. All provisions of section 3-20 of the
117 general statutes, or the exercise of any right or power granted thereby
118 which are not inconsistent with the provisions of sections 16a-40 to
119 16a-40b, inclusive, of the general statutes, as amended by section 5 of
120 public act 05-191, and this section are hereby adopted and shall apply
121 to all bonds authorized by the State Bond Commission pursuant to
122 said sections 16a-40 to 16a-40b, inclusive, and this section, and
123 temporary notes in anticipation of the money to be derived from the
124 sale of any such bonds so authorized may be issued in accordance with
125 said section 3-20 and from time to time renewed. Such bonds shall
126 mature at such time or times not exceeding twenty years from their
127 respective dates as may be provided in or pursuant to the resolution or
128 resolutions of the State Bond Commission authorizing such bonds.
129 Said bonds issued pursuant to said sections 16a-40 to 16a-40b,
130 inclusive, and this section shall be general obligations of the state and
131 the full faith and credit of the state of Connecticut are pledged for the
132 payment of the principal of and interest on said bonds as the same
133 become due, and accordingly and as part of the contract of the state
134 with the holders of said bonds, appropriation of all amounts necessary
135 for punctual payment of such principal and interest is hereby made,
136 and the Treasurer shall pay such principal and interest as the same
137 become due.

138 Sec. 7. (*Effective from passage*) (a) The Secretary of the Office of Policy
139 and Management, in conjunction with the Commissioner of Social
140 Services, the Commissioner of Mental Retardation, the Commissioner
141 of Mental Health and Addiction Services and the Commissioner of
142 Children and Families, shall implement a program to provide

143 supplemental compensation for heating costs for the fiscal year ending
144 June 30, 2006, to residential facilities that are supported by state funds,
145 including, but not limited to, nursing homes, which facilities are
146 distressed as a result of rising energy costs, as determined by the
147 secretary.

148 (b) The secretary shall coordinate payment procedures pursuant to
149 this section with the commissioner who has jurisdiction over the
150 subject residential facility.

151 Sec. 8. (*Effective from passage*) The sum of two million dollars is
152 appropriated to the Office of Policy and Management, from the
153 General Fund, for the fiscal year ending June 30, 2006, for the purpose
154 of section 7 of this act.

155 Sec. 9. (*Effective from passage*) The Connecticut Energy Advisory
156 Board shall, in consultation with the Commissioner of Social Services
157 and the Secretary of the Office of Policy and Management, evaluate the
158 effectiveness of the programs established or expanded by the
159 provisions of sections 1 to 8, inclusive, of this act, in alleviating the
160 impact of increased home heating costs during the 2005 to 2006 winter
161 season on low and middle income households and residential facilities
162 that are supported by state funds. Not later than January 1, 2007, the
163 board shall submit a report containing the results of the evaluation,
164 including, but not limited to, recommendations for further legislation,
165 in accordance with the provisions of section 11-4a of the general
166 statutes, to the joint standing committees of the General Assembly
167 having cognizance of matters relating to energy and social services.

168 Sec. 10. (NEW) (*Effective from passage*) (a) As used in this section:

169 (1) "Energy resource" shall include, but not be limited to, middle
170 distillate, residual fuel oil, motor gasoline, propane, aviation gasoline
171 and aviation turbine fuel, natural gas, electricity, coal and coal
172 products, wood fuels and any other resource yielding energy;

173 (2) "Seller" shall include, but not be limited to, a supplier,
174 wholesaler, distributor or retailer involved in the sale or distribution in
175 this state of an energy resource;

176 (3) "Abnormal market disruption" refers to any stress to an energy
177 resource market resulting from weather conditions, acts of nature,
178 failure or shortage of a source of energy, strike, civil disorder, war,
179 national or local emergency, oil spill or other extraordinary averse
180 circumstance.

181 (b) No seller during any period of abnormal market disruption or
182 during any period in which an imminent abnormal market disruption
183 is reasonably anticipated shall sell or offer to sell an energy resource
184 for an amount that represents an unconscionably excessive price.

185 (c) Evidence that (1) the amount charged represents a gross
186 disparity between the price of an energy resource that was the subject
187 of the transaction and the price at which such energy resource was
188 sold or offered for sale by the seller in the usual course of business
189 immediately prior to (A) the onset of an abnormal market disruption,
190 or (B) any period in which an imminent abnormal market disruption is
191 reasonably anticipated, and (2) the amount charged by the seller was
192 not attributable to additional costs incurred by the seller in connection
193 with the sale of such product, shall constitute prima facie evidence that
194 a price is unconscionably excessive.

195 (d) This section shall not be construed to limit the ability of the
196 Commissioner of Consumer Protection or the courts to establish
197 certain acts or practices as unfair or unconscionable in the absence of
198 abnormal market disruptions.

199 Sec. 11. (NEW) (*Effective from passage*) (a) The Attorney General,
200 upon referral by the Commissioner of Consumer Protection, may bring
201 a civil action in the superior court for the judicial district of Hartford
202 against any person who violates any provisions of section 10 of this act
203 to recover a civil penalty of not more than ten thousand dollars per

204 violation and such equitable relief as the court deems appropriate.

205 (b) The Attorney General, upon referral by the Commissioner of
206 Consumer Protection, may bring a civil action in the superior court for
207 the judicial district of Hartford against any person who knowingly
208 violates any provision of section 10 of this act to recover a civil penalty
209 of not more than ten thousand dollars per violation, double damages
210 and such equitable relief as the court deems appropriate.

211 (c) Notwithstanding the provisions of this section, any violation of
212 section 10 of this act shall be deemed to be an unfair trade practice
213 within the provisions of chapter 735a of the general statutes.

214 Sec. 12. (*Effective from passage*) (a) For purposes of this section,
215 "secretary" means the Secretary of the Office of Policy and
216 Management.

217 (b) The secretary shall collect, monitor and distribute information
218 concerning home heating oil in a manner that will provide
219 transparency of market prices to the public. Not later than one
220 hundred twenty days after the effective date of this section, the
221 Secretary shall provide an opportunity for public comment to
222 determine the manner in which this policy mission will be
223 implemented.

224 (c) In implementing the provisions of this section, the secretary shall
225 consult with other relevant agencies of the state. Any ongoing
226 assistance provided by an agency that may result in a material
227 budgetary impact upon the assisting agency shall be provided
228 pursuant to a memorandum of understanding, which shall be
229 negotiated between the secretary and the subject agency.

230 (d) In implementing the provisions of subsection (b) of this section,
231 the secretary shall collect, or cause to be collected, information on the
232 wholesale and retail prices of home heating oil and shall establish
233 indices of those prices so as to provide transparent market prices to the

234 public. The indices developed pursuant to this subsection shall be
235 transmitted to the public in a manner that provides the greatest
236 possible public access to understandable and current information on a
237 cost-effective basis. On and after December 1, 2005, and not later than
238 April 30, 2006, the indices developed pursuant to this section shall be
239 updated on a weekly basis and posted on the Office of Policy and
240 Management's Internet web site.

241 (e) (1) The secretary shall monitor and analyze the information
242 collected pursuant to subsection (d) of this section for evidence of
243 market activities that impair the free and fair operation of the home
244 heating oil market. The secretary shall refer such evidence, together
245 with any other information or recommendations, to such agencies as
246 the secretary determines may have jurisdiction to provide remedies,
247 including, but not limited to, state, federal or local administrative,
248 regulatory or law enforcement agencies.

249 (2) The secretary, in the performance of the secretary's duties, may
250 summon and examine, under oath, such witnesses, and may direct the
251 production of, and examine or cause to be produced and examined,
252 such books, records, vouchers, memoranda, documents, letters,
253 contracts or other papers in relation to the affairs of any home heating
254 oil seller or distributor at the wholesale or retail level operating in the
255 state as it may find advisable.

256 (3) Notwithstanding the provisions of the general statutes, any
257 information, analysis or work product developed by the secretary
258 pursuant to the provisions of subdivision (1) of this subsection shall
259 not be a public record, as defined in section 4d-33 of the general
260 statutes, except as provided in this section. Any such information
261 referred by the secretary pursuant to subdivision (1) of this subsection
262 shall become a public record not more than sixty days after the date of
263 a referral unless such law enforcement agency protects such
264 information from disclosure pursuant to law. Any information that the
265 secretary determines not to refer pursuant to subdivision (1) of this

266 subsection shall become a public record not more than thirty days after
267 such determination is made.

268 (4) The secretary shall notify the joint standing committee of the
269 General Assembly having cognizance of matters relating to energy of
270 every referral of information to other agencies pursuant to subdivision
271 (1) of this subsection, provided the scope of information provided shall
272 be limited pursuant to subdivision (3) of this subsection. The secretary,
273 in such notification, shall include recommendations for addressing the
274 conditions identified, including, but not limited to, any
275 recommendations for legislation.

276 (f) The chairperson of the Public Utilities Control Authority, or the
277 chairperson's designee, the Commissioner of Social Services, or the
278 commissioner's designee, the chairperson of the Connecticut Energy
279 Advisory Board, and the Secretary of the Office of Policy and
280 Management, or the secretary's designee, shall constitute a Home
281 Heating Oil Planning Council to address issues involving the supply,
282 delivery and costs of home heating oil and state policies regarding the
283 future of the state's home heating oil supply. The Secretary of the
284 Office of Policy and Management shall convene the first meeting of the
285 council.

286 (g) The Home Heating Oil Planning Council shall, on an ongoing
287 basis, monitor and analyze the information collected pursuant to
288 subsection (d) of this section, and such other information from other
289 sources as it deems appropriate, for evidence of operational or
290 infrastructure conditions that should be addressed to enhance the
291 reliable, free and fair operation of the state's home heating oil market.
292 Not later than January 1, 2007, and periodically thereafter as it deems
293 appropriate, the council shall submit to the joint standing committee of
294 the General Assembly having cognizance of matters relating to energy
295 a report on the status of the state's home heating oil market, including,
296 but not limited to, its recommendations for addressing any negative
297 conditions identified and recommendations for legislation.

298 Sec. 13. Section 16a-23n of the general statutes, as amended by
299 section 2 of public act 05-229, is repealed and the following is
300 substituted in lieu thereof (*Effective December 1, 2005*):

301 (a) A contract for the retail sale of home heating oil that offers a
302 guaranteed price plan, including fixed price contracts and any other
303 similar terms, shall be in writing and the terms and conditions of such
304 price plans shall be disclosed. Such disclosure shall be in plain
305 language and shall immediately follow the language concerning the
306 price or service that could be affected and shall be printed in no less
307 than twelve-point boldface type of uniform font.

308 (b) A home heating oil dealer that advertises a price shall offer said
309 price for a period of no less than twenty-four hours or until the next
310 advertised price is publicized, whichever occurs first.

311 (c) No home heating oil dealer shall enter into a prepaid home
312 heating oil contract or a fixed price per gallon home heating oil
313 contract unless such dealer has either: (1) Obtained and maintained
314 heating oil futures contracts or other similar commitments that allow
315 such dealer to purchase, at a fixed price, heating oil in an amount not
316 less than seventy-five per cent of the maximum number of gallons that
317 such dealer is committed to deliver pursuant to all prepaid home
318 heating oil contracts entered into by such dealer or that such dealer
319 estimates is committed pursuant to all fixed price per gallon home
320 heating oil contracts, or (2) obtained and maintained a surety bond in
321 an amount not less than fifty per cent of the total amount of funds paid
322 to the dealer by consumers pursuant to prepaid home heating oil
323 contracts or that the dealer estimates will be paid to the dealer by
324 consumers pursuant to all fixed price per gallon home heating oil
325 contracts. Such dealer shall maintain the amount of futures contracts or
326 the amount of the surety bond required by this subsection for the
327 period of time for which such prepaid home heating oil contracts or
328 fixed price per gallon home heating oil contracts are effective, except
329 that the amount of such futures contracts or surety bond may be

330 reduced during such period of time to reflect any amount of home
 331 heating oil already delivered to and paid for by the consumer.

332 (d) No prepaid home heating oil contract shall require any
 333 consumer commitment to purchase home heating oil pursuant to the
 334 terms of such contract for a period of more than eighteen months.

335 (e) Any prepaid home heating oil contract shall indicate: (1) The
 336 amount of funds paid by the consumer to the dealer under such
 337 contract, (2) the maximum number of gallons of home heating oil
 338 committed by the dealer for delivery to the consumer pursuant to such
 339 contract, and (3) that performance of such prepaid home heating oil
 340 contract is secured by one of the two options described in subsection
 341 (c) of this section. Any such contract shall provide that the contract
 342 price of any undelivered home heating oil owed to the consumer
 343 under the contract, on the end date of such contract, shall be
 344 reimbursed to the consumer not later than thirty days after the end
 345 date of such contract unless the parties to such contract agree
 346 otherwise.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>from passage</i>	New section
Sec. 13	<i>December 1, 2005</i>	16a-23n