

Date: 4/7/2026

Subject: Proposal to Update Fuel Assistance Statute (33 V.S.A. § 2605) – End of “Heat and Eat” \$21 Issuance

Purpose and Proposal

This memo outlines a proposal to update the Home Heating Fuel Assistance statute (33 V.S.A. § 2605(h)) to remove the \$21 “Heat and Eat” benefit payment that is currently issued to certain 3SquaresVT households. The “Heat and Eat” benefit provides a small annual fuel assistance payment to eligible 3SquaresVT households that are not otherwise receiving any fuel assistance. Under previous federal law governing the 3SquaresVT program, this nominal state-issued fuel assistance benefit made these 3SquaresVT households eligible for the full Standard Utility Allowance (SUA). This SUA increases households’ 3SquaresVT benefits under federal law.

The Department would like to end this \$21 fuel assistance benefit for some 3SquaresVT households due to recent changes to the federal Supplemental Nutrition Assistance Program (SNAP). The 2025 federal budget reconciliation act (HR 1) fundamentally changed how “Heat and Eat” applies. Under HR 1, only households with at least one elderly or disabled member qualify for the full SUA through “Heat and Eat.” Therefore, providing a nominal fuel assistance benefit to households without an elderly or disabled member will no longer increase the 3SquaresVT benefits going to these households.

The proposed statutory amendment would eliminate the nominal fuel assistance payment to 3SquaresVT households without an elderly or disabled member. The amendment will not affect 3SquaresVT households that also receive regular fuel assistance. This change would yield annual savings of approximately \$110,000, which would be redirected for other needs within the LIHEAP program.

Requirement

Under HR1, only 3SquaresVT households with an elderly or disabled member may qualify for the automatic “Heat and Eat” shortcut to the full SUA. Continuing to issue the \$21 benefit to other households is no longer necessary, as the nominal payment would no longer increase their 3SquaresVT benefits, which was the original purpose of the program. Updating 33 V.S.A. § 2605(h) will ensure state policy alignment between the 3SquaresVT and Fuel Assistance programs.

Impacts

- **DCF:** Continued compliance with 3SquaresVT law and reduced administrative complexity. Minimal system or training impacts.



- **Clients:** 3SquaresVT households without an elderly or disabled member will no longer receive the automatic \$21 “Heat and Eat” issuance. Households with an elderly and disabled member will not be affected.
- **Other Stakeholders:** Community partners and advocates will need updated outreach materials and guidance.

Fiscal Impact

Ending the \$21 issuance will result in approximately \$110,000 in annual savings. Implementation costs are expected to be minimal.

Thank you for your continued support of the 3SquaresVT and Fuel Assistance Programs and the Vermonters they serve.

Sincerely,
Miranda Gray
Deputy Commissioner
Economic Services Division
Vermont Department for Children and Families

