

HB 1262-FN - AS AMENDED BY THE SENATE

11Mar2026... 0979h
05/07/2026 1713s

2026 SESSION

26-2434
04/09

HOUSE BILL ***1262-FN***

AN ACT relative to home heating oil and propane contracts and sales.

SPONSORS: Rep. Lucas, Graf. 7; Rep. Rung, Hills. 12; Rep. Baldwin, Graf. 4; Rep. Miller, Straf. 21; Rep. Bolton, Graf. 8; Rep. Lovett, Graf. 8; Rep. Fellows, Graf. 8

COMMITTEE: Commerce and Consumer Affairs

AMENDED ANALYSIS

This bill updates requirements for home heating oil, kerosene, and propane dealers by expanding contract-disclosure rules, modifying prepaid-contract protections, setting requirements for tank removal and refunds, limiting service-termination fees, and designating violations as unfair or deceptive acts.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struckthrough.]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to home heating oil and propane contracts and sales.

Be it Enacted by the Senate and House of Representatives in General Court convened:

- 1 1 Petroleum Sales Contracts. Amend RSA 339:79 to read as follows:
- 2 339:79 Requirements for Guaranteed Price Plans, ~~[and]~~ Prepaid Contracts for Petroleum, **and**
- 3 **Contracts and Sales for Petroleum.**
- 4 I. A contract with a consumer that offers a guaranteed price plan, requires prepayment by
- 5 the consumer, or similar contracts shall be in writing and shall disclose the terms and conditions of
- 6 the plan. A solicitation for such a guaranteed price plan that could become a contract upon response
- 7 from a consumer shall also be in writing with the terms and conditions, ~~[disclosed in plain language]~~
- 8 **including any pre-buy fees or ancillary charges. Any contract shall also include:**
- 9 (a) **Dealer contact information for written or electronic communication in the**
- 10 **event that a consumer wishes to make a notification to the dealer for discontinuation of the**
- 11 **contract; and**
- 12 (b) **The contact information for the New Hampshire department of justice**
- 13 **consumer protection hotline.**
- 14 II. A contract for the retail sale of home heating oil, kerosene, or liquefied petroleum gas to a
- 15 consumer shall also indicate the total amount of money to be paid by the consumer, the gallons
- 16 committed by the fuel dealer to be delivered under the contract, the price per gallon, the payment
- 17 terms, **and disclose all fees, including tank rental fees, early termination fees, and other**
- 18 **ancillary fees,** the duration of the contract, the remedies enforceable by the dealer against a non-
- 19 performing consumer, and that the contract is secured as provided in this section, **if applicable.**
- 20 The information required by this section shall be in plain language and shall be printed ~~[in no less~~
- 21 ~~than 12-point boldface type of uniform font after the price of service described]~~ **clearly and**
- 22 **conspicuously.**
- 23 III. A contract that requires prepayment by the consumer shall comply with paragraphs I
- 24 and II of this section. Such contract also:
- 25 (a) Shall not be advertised or solicited by the dealer in any manner to advertise, solicit,
- 26 or promote the details of prepaid contracts being offered to consumers, nor shall the dealer solicit or
- 27 promote pre-buy services independent of all the services offered by the dealer, earlier than May 1 or
- 28 later than October 31 of the year in which the heating fuel season begins. Such contracts may be
- 29 signed prior to May 1 only at the request of the consumer.

(b) Shall require dealers to ~~[reimburse consumers]~~ ***provide consumers the option of reimbursement*** at the contract price for any undelivered pre-purchased fuel~~[, within 30 days after the contract ends, unless the dealer and consumer agree to different terms]~~ ***and any prorated pre-buy fees, within 30 calendar days after the contract ends.***

(c) Shall include a clear explanation of the means by which the dealer will meet the obligations of the contract for the entire contract period, including supplier agreements, futures contracts, bonding, a line of credit or liquid product inventory.

(d) Shall not falsely claim coverage. Any dealer who falsely claims coverage or fails to maintain coverage until the completion of the contract shall be guilty of a class A misdemeanor, in addition to other penalties as provided in ~~[paragraph VI]~~ ***this section.***

IV. No home heating oil, kerosene, or liquefied petroleum gas dealer shall enter into a prepaid contract to provide home heating oil, kerosene, or liquefied petroleum gas to a consumer unless that dealer has, within 7 days of the acceptance of the contract, obtained and maintained any one of the following:

(a) A firm commitment in the form of a futures contract or other commitment that guarantees that the dealer may purchase, at a fixed price, heating oil, kerosene, or liquefied petroleum gas in an amount not less than 75 percent of the maximum number of gallons that the dealer is committed to deliver pursuant to all prepaid contracts entered into by the dealer. The amount of such futures contract may be reduced to reflect any amount of home heating oil, kerosene, or liquefied petroleum gas already delivered to and paid for by the consumer;

(b) A surety bond, made payable to the attorney general, in an amount not less than 50 percent of the total amount of funds paid to the dealer by consumers pursuant to prepaid heating oil, kerosene, or liquefied petroleum gas contracts;

(c) A letter of credit, made payable to the attorney general, from an FDIC-insured institution in an amount that represents 100 percent of the cost to the dealer of the maximum number of gallons that the dealer is committed to deliver pursuant to all prepaid contracts entered into by the dealer. The cost shall be calculated at the time the contracts are entered into; or

(d) A liquid product inventory of home heating oil, kerosene, or liquefied petroleum gas in an amount equal to 75 percent of the outstanding volume in gallons that the dealer is obligated to deliver under the terms of prepaid contracts in force.

V. Paragraph IV of this section shall not apply to budget plans under which consumers pay their yearly heating costs by making equal monthly payments.

V-a. A home heating oil, kerosene, or liquefied petroleum gas dealer who offers prepaid contracts under this section shall register the dealer's intent to offer such contracts with the secretary of state by May 1 of each year. Registration shall be on a form provided by the secretary of state and shall indicate which securitization method or combination of methods listed in paragraph IV are used to secure the contracts.

V-b. A home heating oil, kerosene, or liquefied petroleum gas dealer who offers prepaid contracts under this section shall file an annual report with the secretary of state by December 1 of each year demonstrating how the dealer has satisfied the requirements of this section, including how the prepaid contracts are secured. The report shall be made on a form provided by the secretary of state. The form shall conspicuously bear the warning that making a false statement on the form shall constitute an unfair or deceptive act or practice in violation of RSA 358-A. The report shall be signed by the dealer. If the dealer is a corporation, the report shall be signed by either the president or an officer of the corporation and shall include a list of all of the members of the board of directors of the corporation. The secretary of state may not charge a fee for the form or for filing the report.

VI. *A dealer's obligations regarding the removal or transfer of dealer-owned tanks shall be as follows:*

(a) *If a consumer with a dealer-owned above-ground tank provides electronic or written notification of discontinuance of the contract to a home heating oil, kerosene, or liquefied petroleum gas dealer, the dealer shall have 30 calendar days from the date of notification or as soon as weather and access to the tank allow, to remove the dealer-owned tank and associated equipment, or transfer ownership of the tanks and associated equipment to another dealer. If the dealer cannot remove the tank within 30 calendar days, the dealer shall, in writing, inform the customer of the reason for the delay and provide regular updates as to when the removal will be completed.*

(b) *If a consumer with a dealer-owned underground tank provides electronic or written notification of discontinuance of the contract to a liquefied petroleum gas dealer, the dealer shall have 30 calendar days from the date of notification or as soon as weather and access to the tank allow, to remove the dealer-owned tank and associated equipment or shall make every reasonable attempt to transfer ownership of the dealer-owned tank and associated equipment to the consumer or another dealer. If a dealer cannot transfer ownership or remove the tank within 30 calendar days, the dealer shall, in writing, inform the consumer of the reasons for the delay and provide regular updates as to when the removal or transfer will be completed.*

(c) *The sale of any dealer-owned tank and associated equipment under this section shall be at the price agreed to in a then pre-existing written contract, or if there is no pre-existing written contract, for the fair market value of a tank and associated equipment in such current condition.*

VII. *No dealer may charge a rental, lease, or minimum use fee for a heating fuel tank that is owned by another company or the consumer.*

VIII. *Within 30 calendar days of the date when the dealer or consumer terminates service and the dealer is notified the dealer-owned tank has been disconnected, the dealer shall:*

(a) *Refund to the consumer or a third party who paid on the consumer's behalf, for the amount of propane remaining in the tank at the rate of the actual price per gallon paid for the most recent delivery of propane, less any payments due to the dealer from the consumer. Any refund shall be by cash, check, direct deposit, charge back, or in the same method or manner of payment used to make payments to the dealer. Unless requested by the consumer, a dealer shall not provide a refund in the form of reimbursement or credit to any account with the dealer. No contract shall contain a provision whereby refunds are provided in the form of reimbursement or credit to any account with the dealer.*

(b) *If the quantity of propane remaining in the dealer-owned propane storage tank cannot be determined with certainty, the dealer shall, within, 30 days, refund the consumer, in accordance with subparagraph VIII(a) for 80 percent of the dealer's best reasonable estimate of the quantity of fuel remaining in the tank, less any payments due from the consumer. The dealer shall refund the remainder of the amount due as soon as the quantity of fuel left in the tank can be determined with certainty, but no later than 14 calendar days after the removal of the tank or restocking of the tank at the time of reconnection, whichever occurs first.*

IX. For residential propane service:

(a)(1) *Dealers shall not charge any fees, charges, surcharges or penalties related to termination of propane service, including but not limited to fees to remove the dealer's storage tank from the premises (excluding actual excavation costs), to pump out or restock heating fuel from a dealer-owned tank, or to terminate service, regardless of current ownership of the premises or the tank; and only if:*

(A) *The heating fuel aboveground storage tank has been located on the consumer's premises for 24 months or more; or*

(B) *The heating fuel underground storage tank has been located on the consumer's premises for 60 months or more.*

(2) *Subparagraph IX(a) shall not restrict the dealer from imposing fees or charges to the consumer for early termination or failure to perform under a contract subject to RSA 339:79, I.*

(b) *Dealers shall provide the consumer with the option to purchase an underground propane storage tank and associated equipment at any time during the term of service at a price agreed to in a pre-existing written contract or if there is no pre-existing written contract, at the fair market value for a tank and associated equipment in such condition.*

(c) *Prior to the commencement of service, a dealer shall notify the consumer of its terms of service and provide a written disclosure itemizing all fees and their stated duration that are applicable to the consumer based on stated usage and other pertinent*

information. After establishing service, a dealer may increase a fee or add a new fee only by providing written notification to the consumer. New or amended fees shall take effect no sooner than 60 days after the dealer mails or delivers the notice to the consumer. The dealer may only charge the consumer fees that are contained in the written disclosure. The information required by this section shall be in plain language and shall be printed clearly and conspicuously.

X. Failure to comply with *any provision of* this section shall constitute an unfair or deceptive act or practice in violation of RSA 358-A *and shall be subject to any of the enforcement provisions of RSA 358-A.*

2 Regulation of Business Practices for Consumer Protection; Acts Unlawful. Amend RSA 358-A:2, XVI to read as follows:

XVI. Failing to deliver home heating fuel in accordance with a prepaid contract *or an agreement whereby the dealer provides automatic delivery to a consumer.*

3 New Paragraph; Petroleum Sales Contracts; Definitions; Clear and Conspicuously. Amend RSA 339:78 by inserting after paragraph III the following new paragraph:

IV. "Clearly and conspicuously" means, regardless of the medium, the information is presented in such size, color, contrast, and duration compared to the other information with which it is presented, that it is readily apparent, readable, and understandable.

4 Effective Date. This act shall take effect 60 days after its passage.

**HB 1262-FN- FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT # 2026-1713s)**

AN ACT relative to home heating oil and propane contracts and sales.

FISCAL IMPACT:

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund</i>	None			
Expenditures*	Indeterminable			
<i>Funding Source</i>	General Fund			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source</i>	None			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

Estimated Political Subdivision Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
County Revenue	\$0	\$0	\$0	\$0
County Expenditures	Indeterminable			
Local Revenue	\$0	\$0	\$0	\$0
Local Expenditures	Indeterminable			

METHODOLOGY:

This bill adds, deletes, or modifies a criminal penalty, or changes statute to which there is a penalty for violation. Therefore, this bill may have an impact on the judicial and correctional systems, which could affect prosecution, incarceration, probation, and parole costs, for the state, as well as county and local governments. A summary of such costs can be found at: https://gencourt.state.nh.us/lba/Budget/Fiscal_Notes/JudicialCorrectionalCosts.pdf

AGENCIES CONTACTED:

Judicial Branch, Judicial Council, Department of Justice, Department of Corrections, New Hampshire Association of Counties, and New Hampshire Municipal Association