

Modernizing Income Verification to Unlock Greater Energy Affordability

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ABSTRACT

Income verification stands as the critical bottleneck in administering low-to-moderate-income (LMI) energy affordability programs. Despite federal and ratepayer investments, systemic administrative barriers—often termed “sludge”—suppress participation, with traditional enrollment processes forcing abandonment rates near 40% at the moment of document submission. This paper challenges the assumption that document-heavy verification is a requisite for program integrity. By analyzing the structural mismatch between annual verification cycles and the intertemporal income volatility of LMI households, this paper demonstrates that physical documentation acts as a regressive transaction cost rather than an anti-fraud safeguard.

Using Cass Sunstein’s “Sludge Audit” framework, this paper proposes the “Verification Cascade”: a three-tiered infrastructure model that prioritizes lowest-friction, highest-integrity verification sequentially: (1) proactive data matching for categorical eligibility; (2) user-permissioned payroll API integrations; and (3) mobile-first, AI-assisted document processing. Drawing on empirical data from Washington State’s \$150 million energy relief program—which successfully reached over 690,000 households—and a consolidated statewide utility platform and income verification clearinghouse, this paper demonstrates that this dynamic cascade mitigates administrative drop-off, collapses operational cycles from weeks to minutes, and preserves audit-grade rigor. This paper argues that modernizing verification is not merely an administrative upgrade; it is an essential architectural shift required to convert fragmented, exclusionary programs into a streamlined social safety net that preserves human dignity and ensures fiscal accountability.

Introduction

The United States faces a systemic energy affordability crisis. Driven by compounding cost pressures—including grid modernization, decarbonization mandates, extreme weather, and unprecedented load growth—residential electricity and heating prices have escalated dramatically over the past decade (Corbeau et al. 2026; RMI 2025). These costs do not fall equally; low-income households experience disproportionate “energy burdens,” with Black and Hispanic households facing burdens 43% and 20% higher than white households, respectively (Drehobl, Ross, and Ayala 2020).

Despite the proliferation of federal and state assistance funding—including the Low-Income Home Energy Assistance Program (LIHEAP) and the Inflation Reduction Act’s (IRA) Home Energy Rebate programs—a persistent gap remains between program eligibility and actual enrollment (Heller, Schitekette, and Batlle 2024; NHLP 2024). Historically, this gap has been attributed to insufficient outreach or lack of awareness. However, contemporary public policy research suggests the primary barrier is structural: the high transaction costs associated with program enrollment, or “administrative sludge” (Herd and Moynihan 2018; Sunstein 2019).

At the center of this administrative failure lies the verification process. Regulators and program administrators have long mandated manual, document-intensive verification to ensure fiscal responsibility. This static approach—requiring applicants to scan and upload physical W-2s, pay stubs, or tax returns—is fundamentally mismatched with the economic reality of low-

income lives, which are characterized by high levels of intertemporal income volatility (Boadway, Cuff, and Marceau 2008). In practice, document collection functions not as an anti-fraud safeguard, but as a regressive filter that stifles participation.

This paper challenges the assumption that document-heavy verification is a requisite for program integrity. By bridging economic policy design and technological execution, this paper presents the “Verification Cascade”—a three-tiered infrastructure model that prioritizes categorical eligibility via secure data matching, user-permissioned payroll APIs, and AI-assisted document processing. By analyzing empirical outcomes from state and utility implementations, this research demonstrates that this dynamic framework mitigates administrative drop-off, collapses operational cycles from weeks to minutes, and preserves audit-grade rigor. Modernizing verification is not merely an administrative upgrade; it is an essential architectural shift required to convert fragmented, exclusionary programs into a streamlined safety net that preserves human dignity and ensures fiscal accountability.

Background and Theoretical Framework

The Economics of Error Targeting

To evaluate the programmatic trade-offs in verification design, this study utilizes the public finance framework of welfare targeting under asymmetric information (Akerlof 1978; Parsons 1996). When designing eligibility gateways, administrators balance two distinct forms of targeting error.

Exclusion Rate (Type I Error). The exclusion of an eligible household from benefits due to administrative friction, customer frustration, or procedural non-compliance.

Leakage Rate (Type II Error). The enrollment of an ineligible household due to fraudulent application, misrepresentation, or administrative oversight.

Historically, utility regulators and state auditors have prioritized the minimization of leakage by establishing stringent, document-heavy income verification mandates (GAO 2021). However, behavioral economics demonstrates that these administrative “ordeals”—designed to screen out higher-income applicants—act as a regressive tax (Nichols and Zeckhauser 1982; Sunstein 2019). Because low-income households operate under severe cognitive scarcity (Mullainathan and Shafir 2013), the compliance costs required to satisfy these paper mandates cause exclusion rates to escalate dramatically.

A modernized verification cascade corrects this imbalance. By utilizing automated and secure digital data streams, the cascade lowers compliance costs to near-zero for the vast majority of applicants, minimizing exclusion errors while simultaneously strengthening defenses against fraud through direct database validation.

Metric Standardization for Sludge Audits

To ensure cross-study comparability and allow future researchers to replicate these findings across other energy programs without relying on dense mathematical formulas, the evaluation of administrative burden is formalized using three standardized, plain-language operational metrics.

1. Stage-Specific Drop Off Rate. The percentage of applicants who abandon the application at a specific step. This is measured by dividing the number of users who exit the portal at a given stage by the total number of users who successfully reached that exact stage.

2. Time-to-Decision. The total elapsed time between a household initiating an application and receiving a final eligibility determination (approval or denial) from the managing agency.

3. Administrative Processing Cost. The operational cost to process a single application. This is calculated by multiplying the average staff time spent reviewing a file by the fully burdened hourly wage of the processing staff.

Empirical Analysis of Verification Barriers

Triangulating Applicant Drop-off via Sludge Audits

Applying this standardized framework, applicant progression was mapped and analyzed across sequential stages in utility- and state-administered LMI program enrollment portals (Promise 2026b).

This user-journey mapping tracked applicant retention across five linear steps: initial contact, geographic/address verification, household size declaration, income verification, and final submission. While attrition remains negligible (under 4 percent) during the initial address and demographic steps, the sludge audit reveals a major, isolated bottleneck at the income-verification stage: nearly 40 percent (39.7%) of applicants exit the enrollment workflow at the exact moment they are asked to upload physical income documentation (Promise 2026b).

This descriptive drop-off rate is strongly corroborated by broader public policy literature. Lawrence Berkeley National Laboratory (LBNL) notes that manual, document-intensive verification processes consistently suppress enrollment and act as the single most significant barrier to LMI solar and energy program take-up (Leventis, Forrester, and Paulos 2024). Federal user research indicates that confusing income questions and illegible document uploads represent the primary source of administrative error (Performance.gov 2024).

This bottleneck is categorized into three behavioral cost dimensions (Herd and Moynihan 2018). First, the physical friction from compliance costs. These costs include the physical labor, time, and hardware required to locate, scan, and upload documents. Secondly, the mental friction from cognitive costs. This includes the mental effort required to interpret complex instructions regarding gross versus net pay or eligible pay periods. Third, the trust and surveillance friction from psychological costs, which includes the emotional stress and fear associated with sharing private financial details. As established in *The Pace of Trust* (ACEG 2025), demanding highly sensitive financial artifacts (tax transcripts, child support records) imposes a severe “psychological cost of surveillance,” causing vulnerable families to self-select out of programs to avoid perceived state intervention.

The Dynamics of Income Volatility in LMI Households

Traditional social safety net programs are designed under the assumption of income stability—the premise that a household’s financial situation remains relatively static throughout a fiscal year. However, economic research shows that LMI households experience profound intertemporal income volatility (Boadway, Cuff, and Marceau 2008). Hourly wages, seasonal

employment, gig-economy participation, and fluctuating overtime hours mean that a household's income varies significantly from month to month, even if their annualized income falls below a designated poverty threshold.

To model this dynamic intertemporal vulnerability, this paper defines household energy burden as traditionally defined as a household's monthly energy bill divided by its gross monthly income. In a static policy model based solely on annualized income, short-term, acute affordability crises are obscured. For example, a household may experience an unexpected income shock in winter, due to a seasonal layoff, precisely when heating costs spike and drive energy burdens to unsustainable levels. If eligibility verification is slow or requires retrospective documentation, such as a tax return from the previous year, the program cannot respond dynamically to the household's immediate financial distress. Conversely, forcing households to repeatedly verify their income to capture these fluctuations introduces severe administrative hurdles, causing families to cycle in and out of assistance programs—a phenomenon known as “churn” (GAO 2021).

The Modernized “Verification Cascade”: A Policy-Design Framework

Most programs treat verification as a single gate: everyone must clear the same hurdle, in the same order, using the same evidence type. To resolve the tension between program integrity and accessibility, a policy and technology model structured as a “Verification Cascade” is proposed. The cascade operates on a simple design principle: always prioritize the lowest-friction, highest-integrity data source available.

The model operates as a dynamic cascade across three tiers (Figure 1). Instead of asking every household for the same documents, the program routes each household to the lowest-friction method that still meets policy and integrity requirements. The first tier is proactive categorical eligibility via secure data matching. If the household can be verified through an existing income-qualified program record (e.g., SNAP, WIC, Medicaid, SSI), eligibility can be confirmed without re-proving the same fact. The second tier is user-permissioned payroll connections, an opt-in route for households that are not categorically eligible—or whose income is volatile. This model retrieves wage evidence directly through payroll or gig platforms, reducing manual uploads and reducing errors tied to pay cadence. The third tier is AI-assisted, mobile-first document upload with real-time coaching and human review for true exceptions. When documents are necessary, the system should make the “document path” fast and easy: real-time photo-quality checks, document-type guidance, missing-page prompts, and structured extraction so reviewers receive decision-ready evidence, not PDFs. Reserve trained human review for low-confidence or edge-case files, with evidence organized, decision logic explicit, and a clean audit trail.

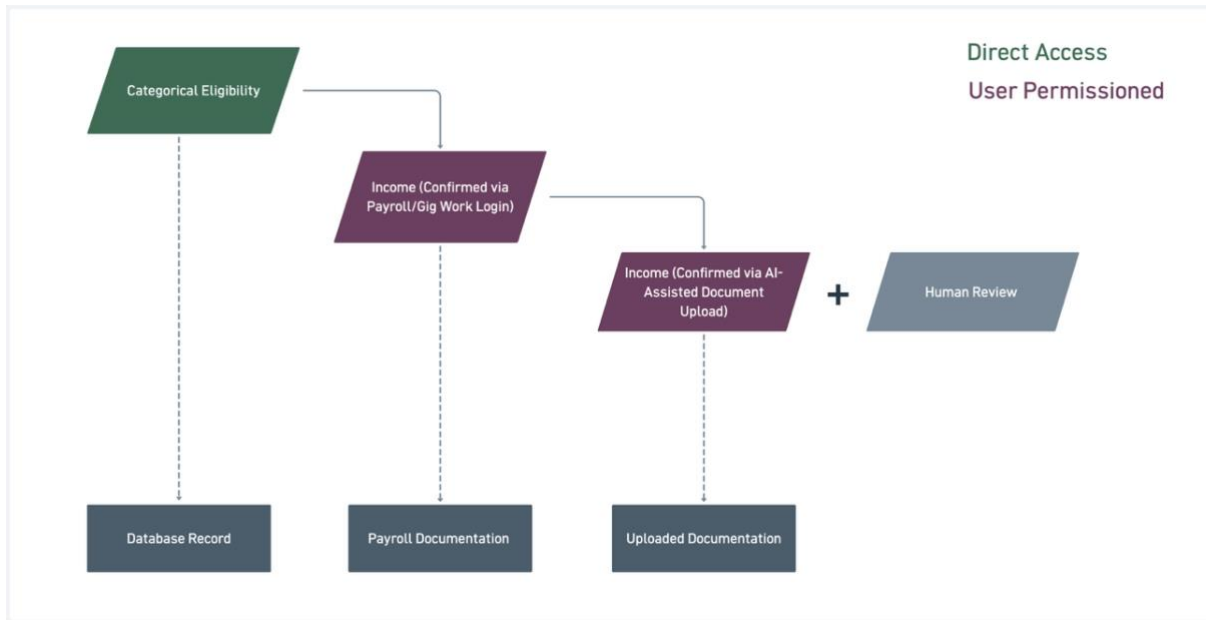


Figure 1. Income verification cascade: from categorical eligibility to document upload.

Tier 1: Proactive Categorical Eligibility and Regulatory Barriers

Under Tier 1, administrators match active utility accounts against state databases of means-tested programs (SNAP, Medicaid, TANF) to categorically verify eligibility, requiring zero documentation from the applicant. A categorical-eligibility engine requires governance and engineering that are routine in public administration but often missing from “modernization” narratives. When categorical eligibility is the default, households do not have to prove the same facts twice. Enrollment can be automatic or pre-populated, shifting effort from paperwork to simple confirmation of identity and account details. Program integrity improves because verification becomes standardized and auditable, rather than dependent on inconsistent document review.

The primary barrier to this modernization is less technical than political: a pervasive conflation of data privacy with data protection. Legislators often resist digital cross-agency integration, fearing an expanded attack surface for data breaches. This represents a fundamental category error. As recent research into digital governance frameworks emphasizes (Martínez 2025; OECD 2024), systemic auditability—achieved through immutable audit trails, role-based access controls, and data minimization—surpasses the integrity of legacy paper-based systems, which are inherently vulnerable to human error, document forgery, and subjective inconsistency. Moreover, archaic compliance standards, such as state statutes requiring “wet signatures” (physical ink) on affidavits of zero income, function as a “technological poll tax” that disproportionately excludes the most vulnerable households. Such requirements do not mitigate fraud; they merely entrench procedural inequities. To overcome these barriers, state regulators must reframe modernization as an “Audit-Grade Integrity” initiative, shifting the legislative focus from document collection to secure, purpose-limited data matching. This transition is supported by federal precedents, notably the U.S. Treasury’s Section 48(e) Final Regulations (August 2023). By providing a “safe harbor” for categorical eligibility, these federal standards insulate state-level administrators from the political risks of innovation, establishing that secure

inter-agency data validation is not merely an efficiency upgrade, but the modern regulatory standard for program durability.

Tier 2: User-Permissioned Payroll Connections

For applicants without categorical matches, Tier 2 introduces user-permissioned payroll integrations. Leveraging third-party application programming interfaces (APIs), users securely log into their employer's payroll provider to transmit real-time wage data. For applicants who do not appear on SNAP or Medicaid rolls—often moderate-income working families, gig workers, or “ALICE” (Asset Limited, Income Constrained, Employed) households—Tier 1 is unavailable. By leveraging third-party APIs (such as Argyle or Plaid), the application portal allows users to securely log directly into their employer's payroll provider (e.g., ADP, Gusto, Workday) using their existing credentials.

Direct, real-time database pulls enable the household to opt in to connect a payroll source, and that consent can be purpose-limited and revocable. This enables higher-integrity evidence with lower friction because wage signals are retrieved directly rather than photographed, printed, or emailed. In addition, document collection is where many eligible households abandon applications and where administrative cost concentrates: staff time is consumed by unreadable uploads, wrong document types, missing pages, and manual re-keying (U.S. Department of Labor 2023). Tier 2 introduces a path to fewer missing pages, fewer unreadable uploads, fewer back-and-forth touches.

This cascading data strategy is directly aligned with cutting-edge federal administrative experiments. In the Performance.gov (2024) Medicaid Data Hierarchies pilot, the federal government tested “Medicaid Data Hierarchies” to determine whether “cascading across multiple data sources and re-ordering data by cost or coverage rate” improves match rates and lowers administrative costs for benefits delivery (Performance.gov 2024). This pilot demonstrated that optimizing the order of database queries significantly increased automatic match rates for traditional and non-traditional earners while reducing administrative overhead. By adapting this federal design precedent to the utility sector, this model's Tier 2 API connection allows administrators to dynamically pull structured payroll data, bypass manual compliance loops, and track real-time income fluctuations without requiring retrospective documentation.

Even where payroll integration is not yet feasible program-wide, designing the verification system as a cascade allows utilities and agencies to add this rung over time without rewriting the entire program workflow.

Tier 3: AI-Assisted Uploads and Human Review for Exceptions

For the remaining segment—including cash-economy workers, informal laborers or the unbanked, or those working for small employers without digital payroll services—Tier 1 and Tier 2 are inapplicable and physical documentation becomes unavoidable. Similarly, even the best data matching will leave a subset of households who need to submit documents: recent movers, unmatched records, non-participants in source programs, and edge cases. For these households, the policy goal should be explicit: documents should not function as a hidden tax on participation.

To prevent the standard 40% attrition rate at this stage, Tier 3 modernizes the document upload experience through mobile optimization and AI-assisted document processing. A mobile-first interface designed for smartphone cameras replaces the expectation that applicants will

locate, scan, and upload desktop-formatted files. Real-time coaching helps applicants submit legible, complete documents on the first try — reducing the back-and-forth that drives drop-off and delays approval. On the back end, AI converts unstructured uploads into structured, decision-ready evidence for reviewers, and flags anomalies for human review rather than treating low-confidence submissions as fraud. By providing real-time feedback and instant processing, Tier 3 reduces the processing window from several weeks of manual back-office sorting to a matter of seconds, preventing the administrative drop-off associated with delayed approvals.

While AI successfully parses the majority of documents, a mature programmatic framework must account for “edge cases” that require human intervention. Reserve trained human review for low-confidence or edge-case files. Crucially, this step must also serve as the resolution point for applicants who have identified that their situation—whether income volatility or non-standard employment—cannot be captured by automated fields. By allowing a ‘request human review’ or ‘add explanation’ path, the system ensures that ‘exact answers’ are captured by a human when the digital intake fails to accommodate them.

Empirical Findings: Measurable Access, Efficiency, and Equity Outcomes

To ensure analytical consistency, the deployment of the verification cascade is evaluated across three distinct administrative environments.

Case Study 1: The Washington State Energy Bill Relief Program

In 2024, the Washington State Department of Commerce confronted a massive equity mandate under the state’s Climate Commitment Act. The agency had to rapidly deliver \$150 million in direct utility bill credits to over 600,000 low- and moderate-income households (Washington State Department of Commerce 2024). This effort faced deep structural barriers. First, Washington’s utility landscape is highly fragmented and operating on incompatible billing systems. Second, the program mandate required the agency to fully allocate and deliver the \$150 million budget within an exceptionally tight 12-week window. Finally, because the program targeted households at or below 80% of the Area Median Income (AMI), the system had to verify eligibility against localized, county-level income tables that varied dynamically by household size.

To bypass these hurdles, administrators deployed a centralized digital portal built on the verification cascade. The platform integrated directly with state benefit systems to cross-reference and automatically confirm enrollment for households already receiving LIHEAP or state-administered utility discounts. For non-pre-verified households, the digital portal offered an intuitive, mobile-friendly self-attestation flow coupled with real-time geolocation matching to verify localized county-level AMI limits.

The program disbursed \$150 million in direct energy bill credits in under 90 days, enrolling more than 690,000 households, exceeding the state’s initial target of 600,000 (Washington State Department of Commerce 2024). Mobile-first design proved critical to this reach, as over 75% of applicants received credits automatically. Strict reconciliation confirmed funds landed in qualified families’ accounts—turning “speed” into “speed with proof.” Crucially, the automated vertical integration converted administrative savings into direct public impact. “With a focus on supporting lower-income families, over 90% of the credits were awarded to low-income households, while the remaining 10% went to moderate-income households. Additionally, utilities were able to repurpose \$3 million in administrative savings, enabling an

extra 15,000 families to receive credits beyond the original projection.” (Washington State Department of Commerce 2024).

Case Study 2: Statewide Platform Modernization and Fragmented Workflow Consolidation

A large state agency (anonymized by agency’s request) faced severe operational inefficiencies when managing its fragmented, county-level energy assistance workflows. Historically, applicants had to submit physical paper files to qualify for various assistance programs. These programs operated on outdated, siloed database systems that could not share information, leading to highly redundant data entry and document submissions. Staff spent a significant portion of working hours manually sorting paper pay stubs, verifying physical signatures, and calculating household income.

The state agency partnered to consolidate these localized workflows and separate processes into a single, unified digital enrollment platform powered by the three-tiered verification cascade. By strategically engaging utilities across the state based on LMI population density, the rollout centered on geographic equity. The system immediately checked incoming applications against SNAP databases to establish Tier 1 categorical eligibility. If the databases returned a match, the platform instantly confirmed eligibility and automatically routed the customer to the appropriate utility discount tier. If a match was not found, the applicant was seamlessly prompted to connect their payroll provider (Tier 2) or take a smartphone photograph of their pay stub (Tier 3). The platform processed submissions automatically and provided staff with structured, decision-ready eligibility recommendations (Promise 2026b).

A large US state’s modernization demonstrates the state-level value of shared services. In a previous partnership with the state, the Promise platform successfully distributed nearly \$50 million in Low Income Household Water Assistance Program (LIHWAP) funds in less than three months to approximately 50,000 households. This focus on geographic equity significantly improved the enrollment of households in underserved parts of the state. Households were able to qualify and receive funds automatically once eligibility was determined. The ability to receive funds without navigating long travel times for in-person appointments drastically improved the experience for historically underserved geographic regions.

Case Study 3: New York Enhanced Energy Affordability Program

To deploy assistance effectively across a massive, multi-utility state population, utility administrators needed an enrollment mechanism that prevented redundant infrastructural builds across different utility providers while ensuring identical standards of review.

In January 2026, statewide income verification services were launched for New York’s Enhanced Energy Affordability Program (EEAP) across seven of the largest electric and gas utilities in the state to deliver this unified experience, including National Grid and ConEd. Promise serves as the statewide income verification clearinghouse, supporting enrollment of income-qualified households across participating utilities. The deployment prioritized two design choices: (1) channel equity, supporting equal access via online, phone, and mail submissions so households were not forced into a single digital path, and (2) audit-ready outputs, ensuring utilities received enrollment files and case records mathematically formatted for regulatory reporting.

Promise delivers accurate enrollment files that include customers' qualifying income tiers, along with regular reporting and evaluation data, ensuring compliance with program requirements and supporting a consistent, equitable experience for an estimated 1.5 million eligible households statewide. In its first six months, it processed more than 30,000 applications (Promise 2026b). By centralizing the trusted-facts layer, the seven utilities bypassed duplicative software procurements while guaranteeing consistent accessibility standards for all applicants regardless of their service territory.

Discussion: Reconciliation and Auditability as the Political Durability Wedge

Reconceptualizing Program Integrity and Fraud Prevention

With rising energy costs, affordability programs face an increasingly high bar from regulators and the public. In the modern policy environment, simply “expanding access” is insufficient. Modernization efforts must withstand intense scrutiny by demonstrating exactly why a household qualified and exactly where the ratepayer or taxpayer funds went.

A common concern raised by regulatory utility commissioners is that reducing documentation requirements increases the risk of fraud. Public program administrators have historically relied on complex application processes as a crude self-targeting mechanism. This approach, derived from neoclassical economic theory, suggests that high administrative barriers ensure that only the most desperate households—those with the lowest opportunity cost of time—will apply, thereby naturally filtering out higher-income, ineligible applicants (Nichols and Zeckhauser 1982; Stiglitz and Weiss 1981).

However, behavioral economics and empirical policy evaluations demonstrate that this assumption is deeply flawed in the context of safety net design. Design choices that optimize the front-end application interface can treat auditing and compliance as a disorganized, back-office clean-up task. In reality, the households facing the greatest financial hardship and the highest energy burdens are also those with the least cognitive bandwidth and the fewest resources to navigate complex administrative processes (Mullainathan and Shafir 2013). High-friction processes act as a regressive tax, systematically excluding the very households the programs are legally mandated to serve, while wealthier or more stable households are better equipped to successfully navigate the paperwork.

In the Massachusetts National Grid R-2 Self-Attestation Pilot (D.P.U. 23-150), stakeholders debated the design of audit programs and how to handle customers who fail to respond to post-enrollment verification requests (Massachusetts National Grid 2023). Analysis indicates that traditional paper-based verification provides a false sense of security while introducing severe systemic bias. Physical pay stubs and PDF documents are highly vulnerable to digital manipulation, and manual calculations are prone to human mathematical error. For the small portion of applicants who do not respond to automated audits, designs should avoid punitive disenrollments. As noted by the Massachusetts Attorney General's Office (NCLC 2023), non-compliance in audits is overwhelmingly driven by documentation barriers and communication gaps, not fraud.

In contrast, the modernized cascade strengthens program integrity using vertical integration. By connecting intake, verification, eligibility logic, delivery, communications, and reporting within one coherent system, handoffs are reduced. Tier 1 removes human error and applicant manipulation entirely. Tier 2 pulls raw data directly from employer databases via encrypted APIs, rendering document-based fraud impossible. Tier 3 deploys machine learning

models that screen for digital metadata alterations at a scale human reviewers cannot match. The gaps between legacy systems—which historically generate the most critical administrative errors—are eliminated.

A modern, politically durable verification system embeds auditability into each stage through three mechanisms. First, version-controlled rules ensure eligibility thresholds and evidence standards are encoded centrally and applied consistently, maintaining a clear, immutable change history. Secondly, audit evidence can be captured at creation, where uploaded documents, API-extracted values, and applicant communications are stored instantly with secure timestamps and role-based access controls. Third, vertical integration enables reconciliation to become a first-class requirement. Utilities and state agencies receive an auditable ledger documenting every funding decision and confirming the final delivery of the credit. By replacing physical documentation requirements with a dynamic verification cascade, policymakers can align program operations with the principles of Procedural Justice and Distributional Equity outlined in contemporary energy equity frameworks (ACEEE 2023; PNNL 2021).

Transitioning from Retroactive Audits to Continuous Eligibility

A final advantage of the cascade is its ability to support continuous eligibility. Under traditional models, households are required to re-verify their income annually or biennially (often starting 60 days before program expiration via letters, emails, and phone calls). This periodic re-enrollment process creates massive programmatic churn, as many eligible families fail to complete the re-certification process due to lost mail, changed phone numbers, or administrative fatigue.

By integrating Tier 1 and Tier 2 verification pathways, utilities can transition to a model of continuous, automated eligibility checks. On a monthly or quarterly basis, the utility's billing system can run automated, non-invasive database queries to verify that enrolled households remain active in SNAP, Medicaid, or payroll networks. If a household remains active in these networks, their energy discount rate is automatically extended without requiring any action from the customer. This approach ensures uninterrupted energy access, stabilizes utility revenues, and eliminates the administrative costs associated with manual re-enrollment campaigns.

Conclusion and Recommendations

The compounding pressures of grid modernization, climate-driven load growth, and energy price volatility are rapidly transforming energy insecurity into a national crisis. To resolve this, programs must abandon the siloed, paper-heavy gatekeeping of the past in favor of the dynamic Verification Cascade proposed herein. By treating verification as a shared infrastructure—a “trusted-facts layer” that utilities and state agencies can rely upon simultaneously—administrators can eliminate duplicative costs, enforce service equity, and build auditability into the foundation of program design.

To achieve sustainable modernization, policymakers and utility executives should adhere to the following imperatives:

Default to categorical eligibility. Treat secure data matching as the primary enrollment engine. Manual documentation must be a final-resort exception, not a standard hurdle.

Adopt a cascade, not a gate. Enforce a sequential routing model (Match → Payroll → Guided Documents → Human Review) to ensure the lowest-friction, highest-audit integrity pathway is always first.

Deploy shared services. Standardize verification, reporting, and audit infrastructure across utility portfolios to reduce systemic taxpayer and ratepayer costs.

Make reconciliation non-negotiable. Replace reactive document collection with an immutable, auditable ledger that provides instant, traceable justification for every funding decision.

Design for applicant trust. Embed security cues, clear status tracking, and accessibility features to ensure that safety-net programs do not require a “technological poll tax” to access.

Shifting from gatekeeping to proactive facilitation does not just improve operational metrics—it recalibrates the social contract between the utility, the state, and the household. Modernizing income verification represents a profound shift in regulatory philosophy: moving from a system designed to verify poverty to one built to preserve human dignity, ensuring every dollar is accounted for and every eligible household is served.

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