

**Analysis and Summary of Governor's
FFY 15 Low Income Home Energy Assistance Program
(LIHEAP) Block Grant Allocation Plan**

Joint Hearing of Committees on Appropriations, Energy and Technology,
Human Services

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OFFICE OF FISCAL ANALYSIS

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INTRODUCTION

Pursuant to CGS Section 4-28b, the Governor has submitted for consideration the proposed block grant allocation plan for the 2015 Low Income Home Energy Assistance Program (LIHEAP) Block Grant.

Connecticut utilizes LIHEAP funding to support the Connecticut Energy Assistance Program (CEAP). This program serves households whose incomes fall at or below 150% of the federal poverty guidelines (\$35,775 for a family of four) as well as households with elderly, disabled, and or children under the age of six with incomes between 150% and 200% of the federal poverty guidelines (\$47,700 for a family of four). The Contingency Heating Assistance Program (CHAP) serves low income households with incomes below 60% of the state median income (\$62,528 for a family of four) who are not otherwise eligible for CEAP. The Department of Social Services (DSS) administers CEAP/CHAP with the assistance of the Community Action Agencies (CAAs).

The proposed plan assumes FFY 15 available block grant funding of \$77.4 million. Additional funding results in total available funds of \$79.2 million, which is 7.2% below the FFY 14 available amount of \$85.3 million. Funding is anticipated to provide benefits to approximately 102,700 households. The table below outlines the proposed FFY 14 budget:

CATEGORY	FFY 15 Proposed Expenditures \$
Rental Assistance	112,480
Basic Benefits	42,944,277
Crisis Assistance	11,675,301
Safety Net Assistance	13,269,670
SNAP Benefit	2,201,000
Assurance 16	1,000,000
Administration	7,741,255
TOTAL EXPENDITURES	78,943,983
SOURCE OF FUNDS	
Block Grant	77,412,553
Balance Forward from FFY 13	1,400,000
Other- FFY 15 Vendor Refunds	350,000
TOTAL FUNDS AVAILABLE	79,162,553

A table displaying the FFY 15 benefits as compared to the FFY 14 plan appears on page 3 and is followed by a summary of additional CEAP/CHAP program information.

HIGHLIGHTS

The allocation plan maintains eligibility and asset limits and uses a standard benefits structure. There is a decrease in rental assistance and basic benefits across all benefit levels, and a slight increase in crisis and safety net assistance benefits in comparison to FFY 14 levels. In addition, the second safety net benefit available in FFY 14 for vulnerable and non-vulnerable households was removed.

FEDERAL BUDGET ACTION

Final Congressional action has yet to be taken on FFY 15 appropriations for this grant. The FFY 15 estimated block grant amount is based on the final FFY 14 funding level. This allocation plan includes a contingency plan in the event that funding is more or less than the amount assumed in the proposal.

LOW INCOME HOME ENERGY ASSISTANCE BLOCK GRANT
FFY 14 COMPARED TO FFY 15 LIHEAP PROPOSED BENEFITS

Benefit	Income Level	FFY 14 Actual \$	FFY 15 Gov Proposed \$	Diff FFY 15 - FFY 14 \$	% Change from FFY 14
Renter Benefits	1	120	100	(20)	-16.7
	2	110	90	(20)	-18.2
	3	100	80	(20)	-20.0
Basic Benefits	Vulnerable				
	1	585	550	(35)	-6.0
	2	500	470	(30)	-6.0
	3	425	400	(25)	-5.9
	4	350	330	(20)	-5.7
	Non-Vulnerable				
	1	535	505	(30)	-5.6
	2	450	425	(25)	-5.6
	3	375	355	(20)	-5.3
	CHAP	300	285	(15)	-5.0
Crisis Assistance	CEAP	410	415	5	1.2
	CHAP	110	130	20	18.2
Safety Net Assistance	1st Benefit	410	415	5	1.2
		<i>vulnerable and non vulnerable</i>			
	2nd Benefit	410	-	(410)	-100%
	<i>vulnerable and non vulnerable</i>				
	3rd Benefit	410	415	5	1.2
	<i>vulnerable</i>				
Block Grant Allocation (in millions)		85.3	79.2	(6.1)	-7.2

*Vulnerable refers to any household in which one or more members is either elderly (60 years of age or older), disabled or under the age of six.

Benefit Category	Eligibility Requirements	Receipt of Benefits
Rental Assistance	Includes households who 1) do not make direct vendor payments for their primary source of heat, 2) have annual gross income up to 150% of federal poverty guidelines, and 3) pay more than 30% of their gross income towards rent.	The FFY 15 proposed benefit is \$100, \$90, or \$80 depending on income level. Eligible households receive a check to defray heating costs. Not more than one Rental Assistance Benefit is issued per dwelling unit.
Basic Benefit	Includes households with incomes up to 200% federal poverty guidelines under CEAP and those from 151% federal poverty guidelines to 60% state median income under CHAP.	The FFY 15 proposed benefit ranges from \$285 to \$550, and is based on income, household size, vulnerability and liquid assets.
Crisis Assistance	Includes deliverable fuel heated households who have exhausted their Basic Benefits and are still in need of assistance.	The FFY 15 proposed benefit is \$415 for CEAP households and \$130 for CHAP households. If determined eligible, a fuel delivery will be authorized within 18 hours of the household's request.
Safety Net Assistance	Includes CEAP eligible deliverable fuel heated households who have exhausted their Basic Benefits and Crisis Assistance benefits and are in a life-threatening situation.	The FFY 15 proposed benefit is \$415. CEAP eligible, vulnerable households may be eligible for up to three Safety Net Assistance benefits, while CEAP eligible, non-vulnerable households may be eligible for up to two benefits in the program year.

Note: Any household in which all members are participating in the Temporary Family Assistance program, State Supplement to the Aged, Blind and Disabled, and/or the Refugee Cash Assistance Program, will automatically be considered income eligible for CEAP.

Income Level	Poverty Guidelines
1	Up to 100%
2	101% - 125%
3	126% - 150%
4	151% - 200%

Assurance 16

Funding is provided to Community Action Agencies for enhanced case management services to assist low-income households address their energy needs. Services include risk assessment, counseling, education, and assistance with energy suppliers and vendors.

Supplemental Nutrition Assistance Program (SNAP) Benefit

LIHEAP benefits are available to SNAP recipient households who 1) do not make direct vendor payments for their primary source of heat, 2) have a shelter and/or utility obligation, and 3) pay less than 30% of their gross income toward rent. A \$20.01 LIHEAP SNAP benefit will be paid to these households, which qualifies them for greater benefits.

Program Dates

The program begins on November 12, 2014 and continues through May 29, 2015 as follows:

November 12	First day for authorization of fuel deliveries (and payment for deliveries can be made by the program)
March 16	Deadline for fuel authorization or deliveries
May 1	Last day a household can apply to establish eligibility for benefits
May 15	Last day that qualified utility heated households can apply to establish eligibility for benefits
May 29	Last day to submit deliverable fuel bills