

**Analysis and Summary of Governor's  
FFY 18 Low Income Home Energy Assistance Program  
(LIHEAP) Block Grant Allocation Plan**

Joint Hearing of Committees on Appropriations, Energy and Technology,  
and 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 2018 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 income falls at or below 60% of the state median income (SMI, \$66,089 for a family of four). The Department of Social Services (DSS) administers the program with the assistance of the Community Action Agencies (CAAs).

The proposed plan assumes FFY 18 available block grant funding of \$74.8 million. Additional funding results in total available funds of \$82.2 million, which is 6.8% below the FFY 17 available amount of \$88.2 million. Funding is anticipated to provide benefits to approximately 91,307 households. The table below outlines the proposed FFY 18 budget:

<b>CATEGORY</b>	<b>FFY 18 Proposed Expenditures \$</b>
Rental Assistance	196,040
Basic Benefits	44,420,859
Crisis Assistance	14,805,686
Safety Net Assistance	11,098,142
SNAP Benefit	2,001,000
Furnace Repair & Replacement	1,000,000
Assurance 16	1,000,000
Administration	7,477,683
<b>TOTAL EXPENDITURES</b>	<b>81,999,410</b>
<b>SOURCE OF FUNDS</b>	
Block Grant	74,776,828
Balance Carried Forward	7,200,000
Other- FFY 17 Vendor Refunds	200,000
<b>TOTAL FUNDS AVAILABLE</b>	<b>82,176,828</b>

A table displaying the FFY 18 benefits compared to the FFY 17 plan appears on page 3 and is followed by a summary of additional program information.

## **HIGHLIGHTS**

The allocation plan makes several changes compared to the FFY 17 allocation plan, including the follow items:

- Increases benefit amounts by an average of 15%;
- Expands eligibility for heating system repair and replacement to include individuals with incomes at 201% FPL- 60% SMI (between \$49,446 and \$66,089 for a family of four);
- Eliminates the \$1 million set-aside established last year for weatherization services through the Department of Energy and Environmental Protection (DEEP) as prior year funding is still available; and
- Estimates caseload growth based on the actual number of eligible households between FFY 15 and FFY 17.

## **FEDERAL BUDGET ACTION**

Final Congressional action has yet to be taken on FFY 18 appropriations for this grant. The allocation plan assumes level funding with a 5% sequestration budget cut. 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 PROGRAM  
FFY 17 ESTIMATED COMPARED TO FFY 18 LIHEAP PROPOSED ALLOCATION

Benefit Type	Income Level	FFY 17 Estimated \$	FFY 18 Gov Proposed \$	Diff FFY 18 - FFY 17 \$	% Change from FFY 17
Renters	1	140	165	25	17.9%
	2	130	155	25	19.2%
	3	120	145	25	20.8%
	4	110	135	25	22.7%
	5	100	125	25	25.0%
Basic	<b>Vulnerable:</b>				
	1	590	660	70	11.9%
	2	505	555	50	9.9%
	3	430	480	50	11.6%
	4	355	405	50	14.1%
	5	295	330	35	11.9%
	<b>Non-Vulnerable:</b>				
	1	535	605	70	13.1%
	2	450	500	50	11.1%
	3	375	425	50	13.3%
4	300	350	50	16.7%	
5	240	275	35	14.6%	
Crisis Assistance	Levels 1-4	550	655	105	19.1%
	Level 5	250	295	45	18.0%
Safety Net Assistance	1st Benefit	415	455	40	9.6%
	2nd Benefit	415	455	40	9.6%
	3rd Benefit <sup>1</sup>	415	455	40	9.6%
Total Estimated Benefit Payments (\$ in millions) <sup>2</sup>		71.2	70.5	(0.7)	-0.9%
Total Estimated Expenditures (\$ in millions) <sup>2</sup>		83.9	82.0	(1.9)	-2.3%
Total Funds Available (\$ in millions)		88.2	82.2	(6.0)	-6.8%

<sup>1</sup>The third Safety Net Assistance benefit is for vulnerable households only. 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.

<sup>2</sup>FFY 17 Total Estimated Payments and Expenditures are based on approvals as of August 1, 2017.

<b>Benefit Category</b>	<b>Eligibility Requirements</b>	<b>Receipt of Benefits</b>
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 60% state median income, and (3) pay more than 30% of their gross income towards rent.	The FFY 18 proposed benefit ranges from \$125 to \$165 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 60% state median income.	The FFY 18 proposed benefit ranges from \$275 to \$660, 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 18 proposed benefit is \$655 for households with incomes up to 200%FPL (Levels 1-4) and \$295 for households with incomes from 201% FPL to 60% SMI (Level 5). If determined eligible, a fuel delivery will be authorized within 18 hours of the household's request.
Safety Net Assistance	Includes eligible deliverable fuel heated households (levels 1 through 4) who have exhausted their Basic Benefits and Crisis Assistance benefits and are in a life-threatening situation. Level 5 households are not eligible to receive a Safety Net Benefit.	The FFY 18 proposed benefit is \$455. 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.

Income Level	Poverty Guidelines	Amount \$ for family of 4
1	Up to 100% FPL	up to \$24,600
2	101% - 125% FPL	\$24,846 - \$30,750
3	126% - 150% FPL	\$30,996 - \$36,900
4	151% - 200% FPL	\$37,146 - \$49,200
5	201% FPL- 60% SMI	\$49,446 - \$66,089

**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 SNAP benefits.

**Program Dates**

The program begins on November 15, 2017 and continues through May 31, 2018 as follows:

November 15	First day for authorization of fuel deliveries (and payment for deliveries can be made by the program)
March 15	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 31	Last day to submit deliverable fuel bills