

**Analysis and Summary of Governor's FFY 20  
Low Income Home Energy Assistance Program (LIHEAP) and  
Community Services Block Grant Allocation Plans**

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 plans for the federal fiscal year (FFY) 2020 Low Income Home Energy Assistance Program (LIHEAP) Block Grant and Community Services Block Grant (CSBG). An overview of each allocation plan and proposed changes follows.

## LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

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, \$69,559 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 20 available block grant funding of \$75.3 million. Additional funding results in total available funds of \$82.4 million, which is 1% above the FFY 19 available amount of \$81.6 million. Funding is anticipated to provide benefits to approximately 82,035 households. The table below outlines the proposed FFY 20 budget:

<b>CATEGORY</b>	<b>FFY 20 Proposed Expenditures \$</b>
Rental Assistance	176,750
Basic Benefits	44,394,448
Crisis Assistance	14,008,524
Safety Net Assistance	10,737,034
SNAP Benefit	1,800,000
Weatherization Program Services	500,000
Furnace Repair & Replacement	1,500,000
Assurance 16	1,000,000
Administration	7,529,087
<b>TOTAL EXPENDITURES</b>	<b>81,645,843</b>
<b>SOURCE OF FUNDS</b>	
Block Grant	75,290,878
Balance Carried Forward	6,520,278
Other- Vendor Refunds	550,000
<b>TOTAL FUNDS AVAILABLE</b>	<b>82,361,156</b>

## **HIGHLIGHTS**

The allocation plan makes minimal changes compared to the FFY 19 allocation plan, notably:

- The benefit amounts remain the same; and
- Total furnace repair and replacement funding available is \$2 million (\$1.5 million from anticipated FFY 20 funds plus \$500,000 in additional funds obligated in FFY 19).

## **FEDERAL BUDGET ACTION**

Final Congressional action has yet to be taken on FFY 20 appropriations for this grant. The allocation plan assumes level funding.

## **CONTINGENCY PLAN**

In the event that funding is more or less than the amount assumed in the proposal, benefit payment levels and/or income eligibility criteria may be adjusted. Per CGS Section 4-28b, any proposed transfer over \$50,000 to or from any specific allocation or any transfer amount that is 10% of any specific allocation (whichever is less), must be submitted to the speaker and president pro tempore to be approved, modified or rejected by relevant committees.

A table displaying the FFY 19 benefits compared to the FFY 20 plan appears on page 3 and is followed by a summary of additional program information on page 4.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM  
FFY 20 PROPOSED COMPARED TO FFY 19 LIHEAP ESTIMATED ALLOCATION

Benefit Type	Income Level	FFY 19 Estimated \$	FFY 20 Gov Proposed \$	Change from FFY 19 \$	Change from FFY 19 %
Renters	1	190	190	-	0.0%
	2	180	180	-	0.0%
	3	170	170	-	0.0%
	4	160	160	-	0.0%
	5	150	150	-	0.0%
Basic	<b>Vulnerable:</b>				
	1	725	725	-	0.0%
	2	620	620	-	0.0%
	3	545	545	-	0.0%
	4	470	470	-	0.0%
	5	395	395	-	0.0%
	<b>Non-Vulnerable:</b>				
	1	670	670	-	0.0%
	2	565	565	-	0.0%
	3	490	490	-	0.0%
4	415	415	-	0.0%	
5	340	340	-	0.0%	
Crisis Assistance	Levels 1-4	710	710	-	0.0%
	Level 5	350	350	-	0.0%
Safety Net Assistance	1st Benefit	515	515	-	0.0%
	2nd Benefit	515	515	-	0.0%
	3rd Benefit**	515	515	-	0.0%
Total Estimated Benefit Payments (\$ in millions)		61.8	69.3	7.5	10.8%
Total Estimated Expenditures (\$ in millions)		75.1	81.6	6.5	8.0%
Total Funds Available (\$ in millions)		81.6	82.4	0.8	1.0%

<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.

<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 20 proposed benefit ranges from \$150 to \$190 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 20 proposed benefit ranges from \$340 to \$725, 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 20 proposed benefit is \$710 for households with incomes up to 200%FPL (Levels 1-4) and \$350 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 20 proposed benefit is \$515. 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 \$25,750
2	101% - 125% FPL	\$26,008- \$32,188
3	126% - 150% FPL	\$32,445- \$38,625
4	151% - 200% FPL	\$38,883- \$51,500
5	201% FPL- 60% SMI	\$51,758- \$69,559

**Assurance 16**

Funding is provided to CAAs 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 13, 2019 and continues through May 29, 2020 as follows:

November 13	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

## COMMUNITY SERVICES BLOCK GRANT (CSBG)

CSBG funding provides grants to help address the causes of poverty, coordinate governmental and non-governmental programs, and provide emergency services to low-income individuals and families.

The Department of Social Services (DSS) administers the program with the assistance of the Community Action Agencies (CAAs). Funding is allocated based on federal requirements and a state agreement with CAAs and Limited Purpose Agencies (LPAs). Each CAA and LPA receives a base amount equal to one-half of their FFY 1996 allocation, with remaining funds allocated based on the number of individuals in each service area at or below 125% of the federal poverty level.

The proposed plan assumes level federal block grant funding of \$8.6 million in FFY 20. Carry forward funding from FFY 19 results in total available funds of \$11.1 million in FFY 20, which is 7.0% below the FFY 19 total available due to a lower carry forward from the previous year. The table below outlines the proposed FFY 20 budget compared to FFY 19 estimated:

CATEGORY	FFY 2019 Estimated Expenditures \$	FFY 2020 Proposed Expenditures \$	\$ Change 20 v. 19	% Change 20 v. 19
Grants to Eligible Entities	8,589,681	7,751,423	(838,258)	-9.8%
Discretionary Programs	430,635	430,635	-	0.0%
State Agency Administration	430,635	430,635	-	0.0%
<b>TOTAL EXPENDITURES</b>	<b>9,450,951</b>	<b>8,612,693</b>	<b>(838,258)</b>	<b>-8.9%</b>
<b>SOURCE OF FUNDS</b>				
Block Grant	8,612,693	8,612,693	-	0.0%
Balance Forward From Previous	3,359,123	2,520,865	(838,258)	-25.0%
<b>TOTAL FUNDS AVAILABLE</b>	<b>11,971,816</b>	<b>11,133,558</b>	<b>(838,258)</b>	<b>-7.0%</b>

### HIGHLIGHTS

The allocation plan makes minimal changes compared to the FFY 19 allocation, as noted below:

- FFY 20 grants to entities are lower than FFY 19 grants due to the payment of FFY 18 costs in FFY 19. FFY 20 grants to entities otherwise reflect the base award per the current agreement specified under CGS 17b-888;
- Under the state agency administration category, funding for Other Expenses is reduced by \$88,275 due to expenditures that were one time in nature associated with accounting and auditing services, outreach, and indirect costs. Personal

Services and associated fringe are increased by the same amount to reflect full year funding for a staff vacancy filled during FFY 19; and

- The allocation plan proposes a balance of \$2.5 million in FFY 20 will be carried forward to provide flexibility in case there is a decrease in funding or there is a need for one-time expenditures in future fiscal years.

### **FEDERAL BUDGET ACTION**

Final Congressional action has yet to be taken on FFY 20 appropriations for this grant. The allocation plan assumes level funding.

### **CONTINGENCY PLAN**

In the event that funding is more or less than the amount assumed in the proposal, funds for CAAs, discretionary programs, and administration will be allocated according to federal law. If there is a significant decrease in federal funding, DSS will seek input from the Connecticut Association for Community Action to identify priorities. Additional federal funds may result in a carry forward to FFY 21.

Per CGS Section 4-28b, any proposed transfer over \$50,000 to or from any specific allocation or any transfer amount that is 10% of any specific allocation (whichever is less), must be submitted to the speaker and president pro tempore to be approved, modified or rejected by relevant committees.

A table displaying the FFY 20 plan in further detail appears on page 8.



COMMUNITY SERVICES BLOCK GRANT  
FFY 20 PROPOSED ALLOCATION DETAIL

<b>Program Category</b>	<b>FFY 18 Actual Expenditures \$</b>	<b>FFY 2019 Estimated Expenditures \$</b>	<b>FFY 2020 Proposed Expenditures \$</b>	<b>Change 20 v. 19 \$</b>	<b>Change 20 v. 19 %</b>
<b>Grants to Eligible Entities</b>					
Action for Bridgeport Community Development, Inc. (ABCD)	984,137	1,228,515	1,123,597	(104,918)	-8.5%
ACCESS Agency, Inc.	439,443	492,566	467,762	(24,804)	-5.0%
Community Action Agency of New Haven, Inc. (CAANH)	862,030	1,373,748	1,121,604	(252,144)	-18.4%
Community Action Agency of Western Connecticut, Inc.(CAAWC)	658,718	738,357	701,274	(37,083)	-5.0%
Community Renewal Team of Greater Hartford, Inc. (CRT)	1,732,309	1,941,717	1,843,943	(97,774)	-5.0%
Connecticut Association for Community Action (CAFCA)	233,602	235,607	235,488	(119)	-0.1%
Human Resource Agency of New Britain, Inc. (HRANB)	497,903	558,093	529,990	(28,103)	-5.0%
New Opportunities, Inc. (NO)	710,792	1,294,506	1,037,781	(256,725)	-19.8%
TEAM, Inc.	213,759	239,601	227,534	(12,067)	-5.0%
Thames Valley Council for Community Action, Inc. (TVCCA)	434,453	486,971	462,450	(24,521)	-5.0%
<b>Formula Allocations - Total</b>	<b>6,767,146</b>	<b>8,589,681</b>	<b>7,751,423</b>	<b>(838,258)</b>	<b>-9.8%</b>
<b>Discretionary Programs</b>					
	357,593	430,635	430,635	-	0.0%
<b>State Agency Administration</b>					
	500,779	430,635	430,635	-	0.0%
<b>TOTAL EXPENDITURES</b>	<b>7,625,518</b>	<b>9,450,951</b>	<b>8,612,693</b>	<b>(838,258)</b>	<b>-8.9%</b>
<b>SOURCE OF FUNDS</b>					
Block Grant	8,580,324	8,612,693	8,612,693	-	-
Balance Forward From Previous	2,404,317	3,359,123	2,520,865	(838,258)	-25.0%
<b>TOTAL FUNDS AVAILABLE</b>	<b>10,984,641</b>	<b>11,971,816</b>	<b>11,133,558</b>	<b>(838,258)</b>	<b>-7.0%</b>