

OFFICE OF FISCAL ANALYSIS

SUMMARY OF FINAL COMMITTEE ACTION ON 2010/2011 LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) BLOCK GRANT ALLOCATION PLAN

SUMMARY

On September 22, 2010, the Joint Standing Committees on Appropriations, Energy and Technology, and Human Services approved an amended¹ 2010-2011 Low Income Home Energy Assistance Program (LIHEAP) Block Grant allocation plan.

The committees acted to maintain client eligibility and benefits for the upcoming heating season at last year's levels. This means that:

- 117,600 households will be eligible to receive greater benefits than those proposed by the governor;
- 18,800 households that would have been deemed ineligible for the Contingency Heating Assistance Program (CHAP) under the governor's plan will instead be eligible to participate; and
- Program costs will exceed those associated with the governor's proposal by up to \$40.3 million.

The committees accepted the governor's proposal to exclude \$1 million for furnace repair and replacement, in recognition of the capacity of the Department of Social Services' Weatherization Assistance Program to serve referred households.

DETAILS

Maintain CHAP Eligibility

The amended plan maintains income eligibility for the Contingency Heating Assistance Program (CHAP) at 60% of the state median income (\$60,986 for a family of four). The governor had proposed restricting eligibility to 200% of federal poverty guidelines (\$44,100 for a family of four). Approximately 18,800 households are expected to benefit.

Maintain Benefit Levels

Basic, Renters, Crisis Assistance, and Safety Net Assistance benefits are maintained at 2009/2010 levels. The following table shows the final 2010/2011 approved benefits as compared with proposed amounts.

¹ The amendment states: "To modify the 2010/2011 Allocation Plan for the Low Income Home Energy Assistance Program Block Grant to make it in all substantive respects related to eligibility and benefits identical to the 2009/2010 allocation plan, except the furnace repair and replacement program shall be excluded from the 2010/2011 plan."

2010/2011 BENEFIT LEVELS²			
	<u>Governor's Proposed</u>	<u>Final Adopted</u>	<u>Difference</u>
CONNECTICUT ENERGY ASSISTANCE PROGRAM (CEAP)			
BASIC			
<u>Vulnerable*</u>			
Level 1 (0 -100%) fpl ³	\$675	\$880	\$205
Level 2 (101-125%) fpl	\$575	\$785	\$210
Level 3 (126-150%) fpl	\$475	\$690	\$215
Level 4 (151-200%) fpl**	\$375	\$605	\$230
<i>*one or more household member is elderly, disabled or under age six.</i>			
<i>**elderly/disabled</i>			
<u>Non-Vulnerable</u>			
Level 1 (0 -100%) fpl	\$615	\$840	\$225
Level 2 (101-125%) fpl	\$515	\$740	\$225
Level 3 (126-150%) fpl	\$415	\$640	\$225
RENTER			
Level 1 (0-100%)	\$240	\$410	\$170
Level 2 (101-125%)	\$220	\$395	\$175
Level 3 (126-150%)	\$200	\$380	\$180
CRISIS ASSISTANCE	\$350	\$400	\$50
SAFETY NET			
Non-Vulnerable	\$350	\$400	\$50
Vulnerable	\$700	\$800	\$100
CONTINGENCY HEATING ASSISTANCE PROGRAM (CHAP)			
BASIC	\$275	\$580	\$305
CRISIS ASSISTANCE	\$350	\$400	\$50

² Values represent maximum benefit levels. A household's needs dictate actual benefits paid.

³ Federal poverty guidelines.

FISCAL IMPACT

Total costs of the approved allocation plan are estimated at \$112.3 million. This is \$40.3 million greater than the \$72.0 million assumed by the governor to be forthcoming from federal appropriations in FFY 11.

Congress has yet to finalize the FFY 11 LIHEAP appropriation. Therefore, the amount Connecticut will ultimately receive is uncertain. Options to address any resulting shortfall may include, but not be limited to, program closure and/or reliance upon state resources. Currently the program is funded solely with federal dollars.