LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

Purpose:
To assist households with low incomes, particularly those with the lowest incomes that pay a high proportion of household income for home energy, primarily in meeting their immediate home energy needs.

Legislative Authority:
Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), as amended.

Appropriations:
In FY 2019, Block Grant: $3.69 billion, Emergency Contingency: $0.
In FY 2018, Block Grant: $3.64 billion, Emergency Contingency: $0.

Eligible Applicants:
States, federally recognized tribes and tribal organizations (including Alaska native villages), and territories may apply for direct LIHEAP funding.

Target Population:
Grantees must target benefits to households with low incomes. They must cap LIHEAP income-eligibility at (1) no more than the greater of 150 percent of the Federal Poverty Guidelines (FPG) or 60 percent of the State Median Income; and (2) no less than 110 percent of FPG. They must also give higher benefits to households with the greatest home energy need in relation to household income and number of household members. Grantees also must target benefits to households with members who are elderly, disabled, and/or a young child.

Uses:
Grantees must provide crisis energy assistance through at least March 15. They have the option to provide home cooling, weatherization, and/or energy-related low-cost home repairs or replacements.

Block Grant: Congress established the formula for distributing funds to grantees based primarily on each state’s weather, fuel prices, and low income population. Home energy is defined as a source of space-heating or space-cooling in residential dwellings. Grantees can use funds for heating and/or cooling costs as well as up to 15 percent of their funding (or 25 percent with a waiver) for weatherization assistance.

Leveraging Incentive Program: The law allows HHS to award supplemental LIHEAP funding to current grantees that used non-federal resources with their programs in the prior year.

Residential Energy Assistance Challenge Program (REACH): The law allows HHS to award supplemental LIHEAP funding for current grantees to receive competitive grants to implement innovative plans to help LIHEAP eligible households reduce their home energy vulnerability.
Emergency Contingency Funds: If appropriated by Congress, the President may release these funds to assist with the home energy needs arising from an emergency situation, such as a natural disaster. The funds may be allocated to one or more grantees, or to all grantees, based on criteria appropriate to the emergency. Such criteria usually relate to extreme weather conditions or energy price increases. The distribution of funds is based on the degree to which the grantees were impacted by the emergency situation.

Type of Grant:
Block Grant

Program Requirements:
Applications for funds are due to the Division of Energy Assistance annually by September 1 via the OLDC system.

Program Highlights:
All 50 states, the District of Columbia, five U.S. territories, and over 150 tribes and tribal organizations receive LIHEAP grants each year.

Preliminary FY 2017 data indicate that 50 states and the District of Columbia provided an estimated $1.8 billion for heating assistance, 19 states provided an estimated $2343 million for cooling assistance, 49 states provided an estimated $575 million for crisis assistance, and 48 States provided an estimated $374 million in assistance for low-cost residential weatherization or other energy-related home repair. Using the preliminary data available from FY 2017, an estimated 5.4 million households received assistance with heating costs through LIHEAP.

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