

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

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ADMINISTRATION FOR CHILDREN AND FAMILIES  
Low Income Home Energy Assistance Program

LIHEAP Budget Highlights

The FY 2010 President's Budget request includes \$3.2 billion for the Low Income Home Energy Assistance Program (LIHEAP) to help low-income families with their heating and cooling expenses. This is the highest level of LIHEAP funding for any year except the most recent, when the nation was threatened with an unprecedented increase in energy costs. In addition, the Administration proposes creating a new trigger mechanism to provide automatic increases in energy assistance whenever there is a spike in energy costs. The normal appropriations process cannot always respond to the volatile energy market on a timely basis; the trigger will ensure a prompt and potentially significant increase in funds in response to a rapid future rise in costs.

## **FY 2010 Proposed Appropriation Language**

### **ADMINISTRATION FOR CHILDREN AND FAMILIES Low Income Home Energy Assistance Program**

[Sec. 155]

[(a) In lieu of the amount otherwise provided by section 101 for ``Department of Health and Human Services--Administration for Children and Families--Low-Income Home Energy Assistance'', there is appropriated for such account for making payments under sections 2602(b) and 2602(d) of the Low-Income Home Energy Assistance Act of 1981, \$5,100,000,000, which shall remain available through September 30, 2009. Of such amount, \$4,509,672,000 is for payments under subsections (b) and (d) of section 2602 of such Act and \$590,328,000 is for payment under subsection (e) of such section. All but \$839,792,000 of the amount provided by this section for such subsections (b) and (d) shall be allocated as though the total appropriation for such payments for fiscal year 2009 was less than \$1,975,000,000].

[(b) Notwithstanding section 2605(b)(2)(B)(ii) of such Act, a State may use any amount of an allotment from prior appropriations Acts that is available to that State for providing assistance in fiscal year 2009, and any allotment from funds appropriated in this section or in any other appropriations Act for fiscal year 2009, to provide assistance to households whose income does not exceed 75 percent of the State median income.]

[(c) The amount provided by this section shall be obligated to States within 30 calendar days from the date of enactment of this joint resolution.]

[(d) Of the amount provided by this section, \$2,779,672,000 is designated as an emergency requirement and necessary to meet emergency needs pursuant to section 204(a) of S. Con. Res. 21 (110th Congress) and section 301(b)(2) of S. Con. Res. 70 (110th Congress), the concurrent resolutions on the budget for fiscal years 2008 and 2009.]

[(e) The provisions of this section shall apply notwithstanding any other provision of this joint resolution.]

*For making payments under subsections (b) and (d) of section 2602 of the Low Income Home Energy Assistance Act of 1981, \$2,410,000,000; and, in addition, \$790,000,000, to remain available until expended, is for payments under subsection (e) of such section, to be made notwithstanding the designation requirements of subsection (e). (Continuing Appropriations Resolution, 2009.)*

**LANGUAGE ANALYSIS**

<b>Language Provision</b>	<b>Explanation</b>
<p>[Sec. 155 (a) In lieu of the amount otherwise provided by section 101 for ``Department of Health and Human Services--Administration for Children and Families--Low-Income Home Energy Assistance'', there is appropriated for such account ... (e) The provisions of this section shall apply notwithstanding any other provision of this joint resolution.]</p>	<p>The deleted language reflects technical changes to convert the FY 2009 Continuing Resolution into the format for normal appropriations language, and remove one-time programmatic changes in the allocation formula and eligibility provisions of the authorization for LIHEAP.</p>
<p><i>For making payments under subsections (b) and (d) of section 2602 of the Low Income Home Energy Assistance Act of 1981, \$2,410,000,000; and, in addition, \$790,000,000, to remain available until expended, is for payments under subsection (e) of such section, to be made notwithstanding the designation requirements of subsection (e).</i></p>	<p>This language is inserted for conversion into the format for normal appropriations language.</p> <p>In addition, “to remain available until expended” language is inserted to extend the availability of the Contingency Fund rather than require obligation by the end of the year for which the funds are appropriated. Extending the availability will provide maximum flexibility to address emergencies when needed.</p> <p>Also, “notwithstanding” language is inserted to include the LIHEAP Contingency Fund in the regular appropriation instead of designating the funding as emergency funding.</p>

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Low Income Home Energy Assistance Program

Authorizing Legislation

	FY 2009 Amount Authorized	FY 2009 Budget Estimate	FY 2010 Amount Authorized	FY 2010 Budget Request
1. Low Income Home Energy Assistance Program: Section 2602(b) of the Low Income Home Energy Assistance Act	Such sums	\$4,482,372,000	Such sums	\$2,382,700,000
2. Leveraging Incentive Fund, Section 2602(d) of the Low Income Home Energy Assistance Act	\$30,000,000 (if \$50M if amount appropriated under (b) is not less than \$1.4B)	\$27,000,000	\$30,000,000 (if \$50M if amount appropriated under (b) is not less than \$1.4B)	\$27,000,000
3. Energy Emergency Contingency Fund, Section 2602(e) of the Low Income Home Energy Assistance Act	Such sums	\$590,328,000	Such sums	\$790,000,000
4. Training and Technical Assistance, Section 2609(a) of the Low Income Home Energy Assistance Act	\$300,000	\$300,000	\$300,000	\$300,000
5. Mandatory LIHEAP Home Energy Automatic Trigger, proposal. <sup>1</sup>			No existing authority	Such sums
Total request level		\$5,100,000,000		\$3,200,000,000 plus such sums as may be necessary for the Mandatory LIHEAP Home Energy Automatic Trigger proposal
Total request level against definite authorizations	\$30,300,000	\$27,300,000	\$30,300,000	\$27,300,000

<sup>1</sup> The Budget request includes a legislative proposal to create a new mandatory trigger mechanism to automatically provide additional funding when energy prices spike.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Low Income Home Energy Assistance Program

Appropriations History Table

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
2001				
Block Grant	\$0	\$0	\$0	\$300,000,000
Contingency Fund	300,000,000	300,000,000	300,000,000	300,000,000
Advance	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000
Supplemental		300,000,000	300,000,000	300,000,000
Total	1,400,000,000	1,700,000,000	1,700,000,000	2,000,000,000
2002				
Block Grant	1,400,000,000	1,700,000,000	1,700,000,000	1,700,000,000
Contingency Fund	300,000,000	300,000,000	300,000,000	300,000,000
Total	1,700,000,000	2,000,000,000	2,000,000,000	2,000,000,000
2003				
Block Grant	1,400,000,000		1,700,000,000	1,800,000,000
Contingency Fund	300,000,000		300,000,000	
Rescission				-11,700,000
Total	1,700,000,000		2,000,000,000	1,788,300,000
2004				
Block Grant	1,700,000,000	1,700,000,000	2,000,000,000	1,800,000,000
Contingency Fund	300,000,000	100,000,000		100,000,000
Rescission				-11,210,000
Total	2,000,000,000	1,800,000,000	2,000,000,000	1,888,790,000
2005				
Block Grant	1,900,500,000	1,911,000,000	1,901,090,000	1,900,000,000
Contingency Fund	300,000,000	100,000,000	99,410,000	300,000,000
Rescission				-17,601,000
Total	2,200,500,000	2,011,000,000	2,000,050,000	2,182,399,000
2006				
Block Grant	1,800,000,000	2,006,799,000	1,883,000,000	2,000,000,000
Contingency Fund	200,000,000		300,000,000	183,000,000
Supplemental				1,000,000,000
Rescission				-21,830,000
Section 202 Transfer				-1,485,000
Total	2,000,000,000	2,006,799,000	2,183,000,000	3,159,685,000
2007				
Block Grant	1,782,000,000			1,980,000,000
Contingency Fund				181,170,000
Total	1,782,000,000			2,161,170,000

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
2008				
Block Grant	1,500,000,000			2,015,206,000
Contingency Fund	282,000,000			596,379,000
Rescission				-41,257,000
Total	1,782,000,000			2,570,328,000
2009				
Block Grant	1,700,000,000	1,980,000,000	1,980,000,000	4,509,672,000
Contingency Fund	300,000,000	790,328,000	590,328,000	590,328,000
Total	2,000,000,000	2,770,328,000	2,570,328,000	5,100,000,000 <sup>1</sup>
2010				
Block Grant	2,410,000,000			
Contingency Fund	790,000,000			
Mandatory Trigger <sup>2</sup> (est.)	[450,000,000]			
Total Discretionary Funding	3,200,000,000			

<sup>1</sup> The Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, P.L. 110-329, appropriated LIHEAP funding for FY 2009.

<sup>2</sup> The Budget request includes a legislative proposal to create a new mandatory trigger mechanism to automatically provide additional funding when energy prices spike.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Low Income Home Energy Assistance Program

Amounts Available for Obligation

	FY 2008 <u>Actual</u>	FY 2009 <u>Estimate</u>	FY 2010	
			<u>Current Law</u>	<u>Estimate</u>
Annual, B.A.	\$2,611,585,000	\$5,100,000,000	\$3,200,000,000	\$3,200,000,000
Mandatory Proposal, B.A. <sup>1</sup>	0	0	0	450,000,000
Rescission	-41,257,000	0	0	0
<b>Subtotal, Net Budget Authority</b>	<b>\$2,570,328,000</b>	<b>\$5,100,000,000</b>	<b>\$3,200,000,000</b>	<b>\$3,650,000,000</b>
 Unobligated balance, start of year	 20,350,000	 0	 0	 0
<b>Total Obligations</b>	<b>\$2,590,678,000</b>	<b>\$5,100,000,000</b>	<b>\$3,200,000,000</b>	<b>\$3,650,000,000</b>

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<sup>1</sup> This reflects expected costs based on probabilistic scoring.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Low Income Home Energy Assistance Program

Budget Authority by Activity

	FY 2008 <u>Enacted</u>	FY 2009 <u>Estimate</u>	FY 2010	
			<u>Current Law</u>	<u>Estimate</u>
Block Grant				
Grants to States	\$1,979,711,000	\$4,482,372,000	\$2,382,700,000	\$2,382,700,000
Leveraging Incentive Funds	0	27,000,000	27,000,000	27,000,000
Training & Technical Assistance	289,000	300,000	300,000	300,000
Subtotal, Block Grant	1,980,000,000	4,509,672,000	2,410,000,000	2,410,000,000
Mandatory Trigger Proposal	0	0	0	450,000,000
Contingency Fund	590,328,000	590,328,000	790,000,000	790,000,000
Contingency Funds Released	[610,678,000]	[590,328,000]	[0]	[0]
<b>Total, Discretionary Budget Authority</b>	<b>\$2,570,328,000</b>	<b>\$5,100,000,000</b>	<b>\$3,200,000,000</b>	<b>\$3,200,000,000</b>
<b>Total, Mandatory Budget Authority</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$450,000,000</b>
<b>Total, Budget Authority</b>	<b>\$2,570,328,000</b>	<b>\$5,100,000,000</b>	<b>\$3,200,000,000</b>	<b>\$3,650,000,000</b>

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Low Income Home Energy Assistance Program

Summary of Changes

FY 2009 Omnibus	
Total estimated budget authority	\$5,100,000,000
(Obligations)	(\$5,100,000,000)
FY 2010 Estimate	
Total estimated budget authority	\$3,200,000,000
(Obligations)	(\$3,200,000,000)
 Net change	 -\$1,900,000,000

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	<u>FY 2009 Omnibus</u>	<u>Change from Base</u>
<u>Increases:</u>		
A. <u>Program:</u>		
1) <b>LIHEAP Contingency Fund:</b> Increase flexibility to target funding allocations more effectively to assist states in meeting unanticipated energy emergencies.	\$590,328,000	+\$199,672,000
 Subtotal, Program Increases		 +\$199,672,000
<u>Decreases:</u>		
A. <u>Program:</u>		
1) <b>LIHEAP Block Grant:</b> Set funding at a level consistent with current lower energy prices.	\$4,509,672,000	-\$2,099,672,000
 Subtotal, Program Decreases		 -\$2,099,672,000
 Net Change		 -\$1,900,000,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Low Income Home Energy Assistance Program

Justification

	FY 2008 Appropriation	FY 2009 Omnibus	FY 2010 PB Request	FY10 Change from FY09 Omnibus
Discretionary, BA	\$2,570,328,000	\$5,100,000,000	\$3,200,000,000	-\$1,900,000,000
Mandatory Proposal, BA	\$0	\$0	\$450,000,000	+\$450,000,000

Authorizing Legislation – Section 2602(b), (d), and (e) of the Low Income Home Energy Assistance Act

Authorizing legislation is required for the Mandatory Trigger.

Allocation Method .....Formula Grant and Other

General Statement

The Low Income Home Energy Assistance Program (LIHEAP) provides assistance to low-income households in meeting the costs of heating and cooling their homes consistent with the Administration for Children and Families’ strategic goal to build healthy, safe and supportive communities and tribes. Approximately 24 percent of LIHEAP recipients are “working poor” households that do not receive any other public assistance through Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP, formerly food stamps), Supplemental Security Income (SSI), or subsidized housing. For FY 2006, approximately 30 percent of LIHEAP heating recipients were elderly households and 22 percent were households including young children.

States are encouraged to use LIHEAP funds to target assistance to household with high energy burdens or need in accordance with legislation enacted in 1994. Through a collaborative process, the program has defined national reciprocity targeting indexes for both elderly (60 years and older) and young child (under six years old) households to track the rate at which these two vulnerable populations are served compared to the total number that these households represent in the LIHEAP income eligible population.

LIHEAP also includes the Leveraging and Residential Energy Assistance Challenge (REACH) grant programs. Leveraging is an incentive fund that has been successful in encouraging states to add non-federal energy assistance resources to low-income households beyond what could be provided with Federal LIHEAP resources. REACH became a component of the leveraging incentive fund in FY 1996. REACH assists a limited number of LIHEAP grantees in developing and operating programs to help LIHEAP-eligible households reduce their energy vulnerability.

**Program Description and Accomplishments** –

**LIHEAP Block Grant** – LIHEAP provides home energy assistance to low-income households through payments to eligible households or their home energy suppliers. Funds are provided through the block grant to states, Indian tribes and tribal organizations, Puerto Rico and four other insular areas for their use in programs tailored to meet the unique requirements of their jurisdictions. This program assists eligible households in meeting the costs of home energy, defined by the statute to include sources of residential heating and cooling.

States may give priority to households with the highest home energy costs or need in relation to income. States are allowed flexibility in determining payment levels and types of payments, including unrestricted cash payments, payments to vendors on behalf of eligible households, or energy vouchers. Generally, states elect to provide benefits in the form of payments to vendors on behalf of recipient households. Up to ten percent of the funds payable to a state may be used to pay planning and administrative costs. States may request that up to ten percent of the funds be held available for obligation in the subsequent year.

**LIHEAP Contingency Fund** – The LIHEAP Contingency Fund is designed to provide additional funds to states, tribes and territories that are adversely affected by extreme heat or cold, or other causes of energy-related emergencies. The authorizing statute gives the Secretary the discretion in determining how Contingency Funds should be disbursed.

Over the past few years, several Contingency Fund disbursements have occurred. In 2005, \$250 million was released due to higher than normal energy prices. In addition, \$27 million was released in September 2005 to assist states hit hardest by Hurricane Katrina. In 2006, there were three releases for a total of \$680 million due to higher than normal energy prices. In 2007, \$50 million was released to address record high summer temperatures, and \$131 million was released to help low-income households cope with the anticipated high costs of winter fuel. In January and February 2008 there were two releases for a total of \$490 million to provide heating assistance for the winter. In September 2008, \$121 million was released to help low income households prepare for the upcoming winter. In October 2008, the \$590 million appropriated for FY 2009 was released, as directed by Congress in the FY 2009 Continuing Resolution. In that release, \$490 million was available to help individuals in all 50 states, and \$100 million was targeted to assist eligible households in states that predominantly use heating oil.

LIHEAP underwent a program assessment in CY 2003. The assessment cited as a strong attribute the program's targeting of low-income, high energy burden households and vulnerable households with children, disabled and elderly individuals. As a result of the program assessment, the program is working with external stakeholders, especially state LIHEAP grantees, to develop long term outcome measures, identify states' best strategies for leveraging resources through the LIHEAP Leveraging Incentive Program, and improve performance-based budgeting.

The FY 2007 result for the LIHEAP cost effectiveness measure, the ratio of LIHEAP households assisted per \$100 of LIHEAP administrative costs, was 3.58, an improvement over the previous year's result of 2.95 while narrowly missing the target of 3.81. Given that many of the grantees close their heating application periods around March, the timing of emergency contingency fund releases may constrain the ability of grantees to improve cost effectiveness. In FY 2006, for example, the efficiency measure plummeted to its lowest level on record, coinciding with three contingency fund releases over the course of January, March, and September. Contingency fund releases near to or after the program closing dates may lead grantees to provide additional benefits to existing program recipients instead of doing outreach to find new recipients. The accuracy of the cost effectiveness measure will be improved beginning in FY 2011 when unduplicated counts of total households assisted will be collected from state grantees.

**Budget Request** – The FY 2010 request for LIHEAP includes:

**LIHEAP Block Grant** funded at \$2,410,000,000, which is a \$2,099,672,000 decrease from the FY 2009 enacted level. This is the highest level of LIHEAP funding for any year except the most recent, when the nation was threatened with an unprecedented increase in energy costs. This level of funding is consistent with the significant drop in energy costs resulting from the global economic downturn and decreased demand for energy.

LIHEAP Contingency Fund requested at \$790,000,000, a \$199,672,000 increase over the FY 2009 enacted level. We estimate that these funds will be sufficient to cover unanticipated emergencies. Recognizing that energy related emergencies may not occur every year, this budget also proposes appropriations bill language that would allow LIHEAP Contingency funds to remain available until expended.

LIHEAP Home Energy Assistance Trigger, a new mandatory funding stream to enable almost immediate response to spikes in energy prices. Costs in FY 2010 are scored at \$450,000,000 based on the probability of an increase in energy prices. *(See more detailed discussion of proposed trigger at the end of this chapter.)*

Results indicate that LIHEAP continues to provide effective outreach to eligible households with a child five years or younger, as the reciprocity targeting index score remains well over 100, but has not met its goal of 122 for the targeted index score for these households. The ability to influence this outcome measure is limited because states have considerable flexibility in determining which LIHEAP eligible households to target. In an effort to reach a targeted index score of 122 in FY 2010, the program is studying the structure and outreach efforts of a range of federal programs and has collaborated with the Office of Head Start since the spring of 2007 to target young child households. In FY 2009, ACF's Division of Energy Assistance joined the Center for Benefit Outreach and Enrollment which is funded by the Administration on Aging. The purpose of the Center's work is to improve targeting of elderly households which are the other key vulnerable population that LIHEAP targets.

### **Outputs and Outcomes Table**

<b>Measure</b>	<b>Most Recent Result</b>	<b>FY 2009 Target</b>	<b>FY 2010 Target</b>	<b>FY 2010 +/- FY 2009</b>
<b>1.1LT and 1A:</b> Increase the reciprocity targeting index score of LIHEAP households having at least one member 60 years or older to 96 by FY 2010, and by FY 2014, increase to 5 percent over the FY 2007 actual result. <sup>1</sup> <i>(Outcome)</i>	FY 2007: 78 (Target Not Met but Improved)	96	96	Maintain
<b>1.1LT and 1B:</b> Maintain the reciprocity targeting index score of LIHEAP households having at least one member five years or younger. <sup>1</sup> <i>(Outcome)</i>	FY 2007: 110 (Target Not Met)	122	122	Maintain
<b>1C:</b> Increase the ratio of LIHEAP households assisted (heating, cooling, crisis, and weatherization assistance) per \$100 of LIHEAP administrative costs. <i>(Efficiency)</i>	FY 2007: 3.58 (Target Not Met but Improved)	3.95	3.95	Maintain
<b>1i:</b> Number of heating assistance households with at least one member 60 years or older (millions). <i>(Output)</i>	FY 2007: 1.6 million (Historical Actual)	N/A	N/A	N/A
<b>1ii:</b> Number of heating assistance households served with at least one member five years or younger (millions). <i>(Output)</i>	FY 2007: 1.1 million (Historical Actual)	N/A	N/A	N/A

<sup>1</sup>This measure is calculated using only heating-assisted homes.

Measure	Most Recent Result	FY 2009 Target	FY 2010 Target	FY 2010 +/- FY 2009
Program Level Funding (\$ in millions)	N/A	\$5,100	\$3,200	-\$1,900

Resource and Program Data  
LIHEAP Block Grant

	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate
<u>Resource Data:</u>			
Service Grants			
Formula	\$1,979,709,000	\$4,482,372,000	\$2,382,700,000
Discretionary		27,000,000	27,000,000
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance	257,000	283,000	270,000
Program Support	34,000	17,000	30,000
Total, Resources	\$1,980,000,000	\$4,509,672,000	\$2,410,000,000
<u>Program Data:</u>			
Number of Grants	204	202	237
New Starts			
#	204	202	237
\$	\$1,979,709,000	\$4,509,372,000	\$2,409,970,000
Continuations			
#	0	0	0
\$	\$0	\$0	\$0
Contracts			
#	2	1	2
\$	\$253,000	\$283,000	\$0
Interagency Agreements			
#	2	1	0
\$	\$7,000	\$0	\$0

Notes:

1. Discretionary – The Secretary has authority to set aside up to 25 percent of Leveraging funding for the Residential Energy Assistance Challenge program (REACH). We estimate that \$1.5 million will be needed for REACH in FY 2010.
2. Program Support – Includes funding for travel and interagency agreements.

Resource and Program Data  
LIHEAP Contingency Fund

	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate
<u>Resource Data:</u>			
Service Grants			
Formula			
Discretionary	\$610,678,000	\$590,328,000	\$790,000,000
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$610,678,000	\$590,328,000	\$790,000,000
<u>Program Data:</u>			
Number of Grants	52	202	0
New Starts			
#	52	202	0
\$	\$610,678,000	\$590,328,000	\$0
Continuations			
#	0	0	0
\$	\$0	\$0	\$0
Contracts			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements			
#	0	0	0
\$	\$0	\$0	\$0

Notes:

1. Discretionary – FY 2008 includes the release of \$20.4 million that remained available from the FY 2005 appropriation. FY 2010 does not reflect any release of contingency funds since no decisions have been made at this time.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2010 DISCRETIONARY STATE/FORMULA GRANTS**

**PROGRAM: Low Income Home Energy Assistance Program - Block Grants (CFDA # 93.568)**

<b>STATE/TERRITORY</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Enacted</b>	<b>FY 2010 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$16,993,549	\$59,715,834	\$31,339,841	-\$28,375,993
Alaska	7,503,659	16,332,944	8,462,615	-7,870,329
Arizona	7,647,650	26,844,071	14,088,205	-12,755,866
Arkansas	13,056,769	36,497,448	21,643,702	-14,853,746
California	91,023,034	223,977,935	125,106,150	-98,871,785
Colorado	31,729,192	63,474,192	31,729,192	-31,745,000
Connecticut	41,754,126	95,782,640	51,495,237	-44,287,403
Delaware	5,542,056	17,384,291	10,209,361	-7,174,930
District of Columbia	6,484,484	14,652,784	7,809,021	-6,843,763
Florida	27,068,324	95,012,713	49,864,217	-45,148,496
Georgia	21,407,149	75,141,381	39,435,419	-35,705,962
Hawaii	2,137,112	4,651,781	2,410,236	-2,241,545
Idaho	11,775,930	25,632,242	13,280,876	-12,351,366
Illinois	114,565,493	237,236,454	118,935,340	-118,301,114
Indiana	51,865,373	103,601,934	51,865,373	-51,736,561
Iowa	36,762,408	67,802,538	36,762,408	-31,040,130
Kansas	16,989,312	45,270,329	26,242,101	-19,028,228
Kentucky	27,230,294	68,353,278	38,567,057	-29,786,221
Louisiana	17,493,729	57,196,338	32,226,268	-24,970,070
Maine	25,835,221	47,649,042	25,835,221	-21,813,821
Maryland	31,970,606	101,296,011	58,895,010	-42,401,001
Massachusetts	82,764,288	162,915,645	82,764,288	-80,151,357
Michigan	107,943,102	221,244,243	109,697,163	-111,547,080
Minnesota	78,362,555	144,527,532	78,362,555	-66,164,977
Mississippi	14,642,522	38,937,118	22,585,312	-16,351,806
Missouri	45,761,931	103,541,119	54,939,297	-48,601,822
Montana	11,979,214	26,074,726	13,510,141	-12,564,585
Nebraska	18,165,421	39,557,670	20,488,852	-19,068,818
Nevada	3,886,640	13,642,522	7,159,818	-6,482,704
New Hampshire	15,671,860	34,112,375	17,674,701	-16,437,674
New Jersey	76,864,515	166,690,291	86,164,609	-80,525,682
New Mexico	9,535,262	22,918,844	12,644,610	-10,274,234
New York	250,568,564	475,381,949	250,541,356	-224,840,593
North Carolina	37,059,139	121,050,820	68,268,908	-52,781,912
North Dakota	12,541,631	27,298,921	14,144,434	-13,154,487

<b>STATE/TERRITORY</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Enacted</b>	<b>FY 2010 Pres. Budget</b>	<b>Increase or Decrease</b>
Ohio	101,350,302	220,588,408	114,288,202	-106,300,206
Oklahoma	14,286,066	44,571,562	26,341,690	-18,229,872
Oregon	24,022,150	44,640,467	24,022,150	-20,618,317
Pennsylvania	134,810,209	274,925,363	136,369,188	-138,556,175
Rhode Island	13,590,309	30,123,062	15,785,528	-14,337,534
South Carolina	13,589,900	47,702,000	25,034,786	-22,667,214
South Dakota	10,530,532	22,921,427	11,876,317	-11,045,110
Tennessee	27,583,705	73,722,827	42,861,937	-30,860,890
Texas	45,044,208	158,109,984	82,978,692	-75,131,292
Utah	14,452,056	31,595,538	16,269,456	-15,326,082
Vermont	11,746,617	25,568,440	13,247,818	-12,320,622
Virginia	38,943,773	118,083,836	71,740,708	-46,343,128
Washington	38,799,952	71,567,612	38,799,952	-32,767,660
West Virginia	17,934,982	40,583,710	21,585,845	-18,997,865
Wisconsin	70,537,552	130,095,532	70,537,552	-59,557,980
Wyoming	5,693,426	12,639,776	6,447,876	-6,191,900
<b>Subtotal</b>	<b>1,955,497,853</b>	<b>4,428,839,499</b>	<b>2,353,336,591</b>	<b>-2,075,502,908</b>
Tribes	21,529,610	47,462,114	26,136,566	-21,325,548
American Samoa	44,351	100,421	53,380	-47,041
Guam	97,237	220,167	117,034	-103,133
Northern Mariana Islands	33,773	76,470	40,650	-35,820
Puerto Rico	2,413,768	5,465,138	2,905,110	-2,560,028
Virgin Islands	91,948	208,191	110,669	-97,522
<b>Subtotal</b>	<b>24,210,687</b>	<b>53,532,501</b>	<b>29,363,409</b>	<b>-24,169,092</b>
<b>Total States/Territories</b>	<b>1,979,708,540</b>	<b>4,482,372,000</b>	<b>2,382,700,000</b>	<b>-2,099,672,000</b>
Discretionary Funds	0	27,000,000	27,000,000	0
Technical Assistance	291,734	300,000	300,000	0
<b>Subtotal adjustments</b>	<b>291,734</b>	<b>27,300,000</b>	<b>27,300,000</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$1,980,000,274</b>	<b>\$4,509,672,000</b>	<b>\$2,410,000,000</b>	<b>-\$2,099,672,000</b>

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2010 DISCRETIONARY STATE/FORMULA GRANTS**

**PROGRAM: Low Income Home Energy Assistance Program - Contingency Funds (CFDA #93.568)**

<b>STATE/TERRITORY</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Enacted</b>	<b>FY 2010 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$2,095,551	\$4,187,012	n/a	n/a
Alaska	4,177,248	5,100,014	n/a	n/a
Arizona	943,065	1,882,189	n/a	n/a
Arkansas	1,610,089	3,213,444	n/a	n/a
California	11,224,462	22,400,914	n/a	n/a
Colorado	9,596,515	7,877,322	n/a	n/a
Connecticut	23,863,825	30,103,919	n/a	n/a
Delaware	1,387,336	1,363,974	n/a	n/a
District of Columbia	799,631	1,595,918	n/a	n/a
Florida	3,337,918	6,661,874	n/a	n/a
Georgia	2,639,812	5,268,583	n/a	n/a
Hawaii	265,844	530,575	n/a	n/a
Idaho	1,464,852	2,923,579	n/a	n/a
Illinois	34,650,411	28,442,870	n/a	n/a
Indiana	15,686,697	12,877,305	n/a	n/a
Iowa	11,118,815	9,126,905	n/a	n/a
Kansas	5,093,636	4,184,185	n/a	n/a
Kentucky	3,357,891	6,701,737	n/a	n/a
Louisiana	2,157,231	4,305,439	n/a	n/a
Maine	19,000,235	28,643,659	n/a	n/a
Maryland	3,942,440	7,868,391	n/a	n/a
Massachusetts	43,677,336	50,498,727	n/a	n/a
Michigan	32,646,031	26,862,174	n/a	n/a
Minnesota	23,700,807	19,454,863	n/a	n/a
Mississippi	1,805,636	3,603,719	n/a	n/a
Missouri	13,840,727	11,361,193	n/a	n/a
Montana	3,623,122	2,974,048	n/a	n/a
Nebraska	5,494,100	4,509,044	n/a	n/a
Nevada	479,279	956,554	n/a	n/a
New Hampshire	9,962,906	13,624,352	n/a	n/a
New Jersey	31,842,801	19,082,949	n/a	n/a
New Mexico	1,175,835	2,346,755	n/a	n/a
New York	108,477,306	62,236,352	n/a	n/a
North Carolina	4,569,931	9,120,746	n/a	n/a
North Dakota	3,794,021	3,113,678	n/a	n/a

<b>STATE/TERRITORY</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Enacted</b>	<b>FY 2010 Pres. Budget</b>	<b>Increase or Decrease</b>
Ohio	30,653,466	25,161,970	n/a	n/a
Oklahoma	1,761,631	3,520,708	n/a	n/a
Oregon	2,987,867	6,009,057	n/a	n/a
Pennsylvania	56,948,486	33,468,972	n/a	n/a
Rhode Island	7,225,512	8,420,498	n/a	n/a
South Carolina	1,675,832	3,344,655	n/a	n/a
South Dakota	3,184,965	2,614,388	n/a	n/a
Tennessee	3,401,471	6,788,716	n/a	n/a
Texas	5,554,604	11,085,977	n/a	n/a
Utah	4,370,575	3,603,743	n/a	n/a
Vermont	7,623,880	10,587,163	n/a	n/a
Virginia	4,802,332	9,584,580	n/a	n/a
Washington	4,826,467	9,633,722	n/a	n/a
West Virginia	2,222,171	4,435,048	n/a	n/a
Wisconsin	21,334,129	17,512,170	n/a	n/a
Wyoming	1,721,379	1,441,676	n/a	n/a
<b>Subtotal</b>	<b>603,798,109</b>	<b>582,218,005</b>	<b>0</b>	<b>0</b>
Tribes	6,546,933	7,445,954	n/a	n/a
American Samoa	5,504	10,985	n/a	n/a
Guam	12,068	24,084	n/a	n/a
Northern Mariana Islands	4,191	8,365	n/a	n/a
Puerto Rico	299,543	597,833	n/a	n/a
Virgin Islands	11,411	22,774	n/a	n/a
<b>Subtotal</b>	<b>6,879,650</b>	<b>8,109,995</b>	<b>0</b>	<b>0</b>
<b>Total States/Territories</b>	<b>610,677,759</b>	<b>590,328,000</b>	<b>0</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$610,677,759</b>	<b>\$590,328,000</b>	<b>\$790,000,000</b>	<b>\$199,672,000</b>

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Low Income Home Energy Assistance Program

Proposed Legislation  
(in millions)

Mandatory LIHEAP Automatic Funding Trigger:	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	5-YEAR
Budget Authority	\$450	\$450	\$450	\$450	\$450	\$2,250
Outlays	\$329	\$414	\$437	\$450	\$450	\$2,080

Explanation of Proposed Legislation:

The FY 2010 Budget proposes to create a new mandatory trigger mechanism to provide automatic increases in energy assistance whenever there is a spike in energy prices. The trigger would be a permanent, indefinite appropriation that would automatically become available for obligation in an amount defined by formula when specified trigger thresholds were met. The normal appropriations process cannot always respond to the volatile energy market on a timely basis. The trigger will ensure a prompt and potentially significant increase in funds in response to a rapid rise in costs.

Under the Administration’s preliminary design, additional funds would be triggered when quarterly energy prices are higher than quarterly prices in the previous year.

- Oil and natural gas: Additional funds would be provided in tiers, if quarterly oil or natural gas prices are at least 15 percent (tier 1) or 30 percent (tier 2) higher than prices in the prior year. This trigger would be in effect for the discrete quarters ending in September (Q3) and December (Q4). Oil prices would be based on the West Texas Intermediate crude oil spot price, in dollars per barrel; natural gas prices would be based on the Henry Hub spot price, in dollars per thousand cubic meters, as published by the U.S. Department of Energy.

If the tier 1 threshold is met, the amount of funding released by the trigger would equal the percent change in quarterly energy prices, times the prior fiscal year’s LIHEAP block grant funding level, times *20 percent*. Under tier 2, the amount of funding released would equal the percent change in quarterly energy prices, times the prior fiscal year’s LIHEAP block grant level, times *25 percent*. Funding would be calculated for each utility type in each applicable quarter.

- Electricity: Additional funds would be provided if quarterly electricity prices are at least 10 percent higher than quarterly prices in the prior year. This trigger would be in effect for all four calendar quarters. Electricity prices would be based on average retail prices for the residential sector, in cents per kilowatt hour, as published by the U.S. Department of Energy.

If the electricity threshold is met, the amount of funding released by the trigger would equal the percent change in quarterly electricity prices, times the prior fiscal year’s LIHEAP block grant level, times *10 percent*. Funding would be calculated in each quarter the trigger threshold is met.

For example, if 2009 Q4 energy prices rise to just above their 2008 peak levels (to \$126 per barrel for oil and \$10 per mcf for natural gas), total LIHEAP funding for FY 2010 would rise to \$5.1 billion.

The Administration proposes that any triggered funds must be allocated to States within 30 days unless the Secretary determines there are extenuating circumstances that would justify additional time, but in no case would the release be delayed more than 45 days following the publication of applicable quarterly price data. The allocation among States would be determined by the Administration using an approach that takes into account the impact of the price increases that triggered the release and the percent of low-income households in the State that use that fuel type. However, the Administration would have discretion to use a portion of these funds to provide additional assistance to States, territories, and tribes adversely impacted by extreme heat or cold, energy supply disruptions, or a variety of other energy-related emergencies. Likewise, States would retain the flexibility to use triggered funds in a manner that best meets the particular energy assistance needs of their low-income populations.

While the Administration's preliminary approach is designed to respond to changes in volatile energy prices, other trigger factors could also be considered, such as extreme weather or changes in the need for LIHEAP assistance due to economic conditions. The Administration will work with Congress to finalize a trigger design within the resources provided in the FY 2010 Budget.

#### Estimated Costs:

Using probabilistic scoring, the mandatory trigger is expected increase costs by \$400 million to \$500 million per year. Specifically, Federal outlays are expected to increase by \$329 million in FY 2010 and by \$2.080 billion over five years. Probabilistic methods project the cost of the proposal under a number of possible scenarios for oil, natural gas, and electricity prices, and weigh the cost in each scenario by the assumed probability the scenario will occur. During an actual energy price spike, the amount of triggered funds could be significantly higher, as determined by the formula.

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