

DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

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FY 2015 BUDGET

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ADMINISTRATION FOR CHILDREN AND FAMILIES
Low Income Home Energy Assistance Program

FY 2015 Proposed Appropriation Language and Language Analysis

For making payments under subsections (b), [and](d), and (e) of section 2602 of the Low Income Home Energy Assistance Act of 1981, [~~\$3,424,549,000~~]~~\$2,750,000,000~~ of which ~~\$2,550,000,000~~ shall be for making payments under subsections (b) and (d) of such section; and of which ~~\$200,000,000~~ shall be for making payments under subsection (e) of such section, to be made notwithstanding the designation requirements of such subsection: *Provided*, That all but [~~\$491,000,000~~]~~\$366,000,000~~ of [this]~~the~~ amount provided in this section for subsections (b) and (d) shall be allocated as though the total appropriation for such payments for fiscal year [2014]~~2015~~ was less than ~~\$1,975,000,000~~: *Provided* further, That notwithstanding section 2609A(a), of the amounts appropriated under this section 2602(b), not more than [~~\$2,988,000~~]~~\$3,000,000~~ of such amounts may be reserved by the Secretary for technical assistance, training, and monitoring of program activities for compliance with internal controls, policies and procedures and may, in addition to the authorities provided in section 2609A(a)(1) use such funds through contracts with private entities that do not qualify as nonprofit organizations.

For making competitive grants to current LIHEAP grantees to assist low-income households in reducing home energy burden and for conducting a national evaluation of such grants, \$50,000,000.
(Department of Health and Human Services Appropriations Act, 2014.)

LANGUAGE ANALYSIS

Language Provision	Explanation
(b), [and](d), and (e)	This change updates the language to provide a portion of the LIHEAP funding for the contingency fund allowed under section 2602(e) to cover unanticipated home-energy related emergencies, such as natural disasters. Such disasters typically occur each year and affect households' home energy needs or expenditures.
<i>[\$3,424,549,000:\$2,750,000,000 of which \$2,550,000,000 shall be for making payments under subsections (b) and (d) of such section;</i>	This language specifies the Block Grant funding amount for payments authorized under the Low-Income Home energy Assistance Act of 1981 including set aside funding for the Incentive Program for Leveraging Non-Federal Resources, the Residential Energy Assistance Challenge program, and funding that supports LIHEAP research and evaluation activities.
<i>and of which \$200,000,000 shall be for payments under subsection (e) of such section, to be made notwithstanding the designation requirements of such subsection</i>	This language provides a portion of the LIHEAP funding for the contingency fund allowed under section 2602(e) to cover unanticipated home-energy related emergencies, such as natural disasters. Such disasters typically occur each year and affect households' home energy.
<i>[this]the amount provided in this section for subsections (b) and (d)</i>	The language specifies that the total amount to be allocated between <i>old</i> and <i>new formula</i> distribution (the amount provided for subsections (b) and (d)) does not include contingency funds.
<i>For making competitive grants to current LIHEAP grantees to assist low-income households in reducing home energy burden and for conducting a national evaluation of such grants, \$50,000,000.</i>	This language is added to provide \$50 million in additional LIHEAP funding to target new competitive energy burden reduction grants that use strategies to assist low-income families most in need of funding to reduce their high energy burden. Additionally funds may be used to support activities of states that have disconnect protections for the neediest citizens. A portion of this funding (\$1.5 million) may be reserved to conduct a national evaluation of energy burden reduction grants

ADMINISTRATION FOR CHILDREN AND FAMILIES

Low Income Home Energy Assistance Program

Authorizing Legislation

	FY 2014 Amount Authorized ¹	FY 2014 Enacted	FY 2015 Amount Authorized	FY 2015 Budget Request
1. Low Income Home Energy Assistance Program: Section 2602(b) of the Low Income Home Energy Assistance Act	\$5,100,000,000	\$3,424,549,000	\$5,100,000,000	\$2,750,000,000
2. Leveraging Incentive Fund, Section 2602(d) of the Low Income Home Energy Assistance Act	\$30,000,000 (\$50M if amount appropriated under (b) is not less than \$1.4B)	(\$27,000,000)	\$30,000,000 (\$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	\$600,000,000	\$0	\$600,000,000	(\$200,000,000)
4. Training and Technical Assistance, Section 2609A(a) of the Low Income Home Energy Assistance Act	\$300,000	(\$2,988,000)	\$300,000	(\$3,000,000) ²
5. Energy Burden Reduction Grants	n/a	n/a	Included in appropriation language	\$50,000,000
Total request level		\$3,424,549,000		\$2,800,000,000
Total request level against definite authorizations		\$3,424,549,000		\$2,750,000,000

¹ Authorization expired at the end of fiscal year 2007.

² The budget request includes appropriation language to increase the training and technical assistance funding to up to \$3,000,000.

ADMINISTRATION FOR CHILDREN AND FAMILIES
 Low Income Home Energy Assistance Program

Appropriations Not Authorized by Law

Program	Last Year of Authorization	Authorization Level in Last Year of Authorization	Appropriations in Last Year of Authorization	Appropriations in FY 2014
Low Income Home Energy Assistance Program	2007	\$5,100,000,000	\$2,161,170,000	\$3,424,549,000
Leveraging Incentive Fund	2007	\$30,000,000 (\$50,000,000 if amount appropriated for Block Grant is not less than \$1.4B)	\$27,225,000	\$0
Energy Emergency Contingency Fund	2007	\$600,000,000	\$181,170,000	\$0
Training and Technical Assistance	2007	\$300,000	\$297,000	\$2,988,000

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>
2006				
Block Grant	\$1,800,000,000	\$2,006,799,000	\$1,883,000,000	\$2,000,000,000
Contingency	200,000,000		300,000,000	
Fund				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			2,980,000,000
Contingency				
Fund				181,170,000
Total	1,782,000,000			2,161,170,000
2008				
Block Grant	1,500,000,000			2,015,206,000
Contingency	282,000,000			
Fund				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	300,000,000	790,328,000	590,328,000	
Fund				590,328,000
Total	2,000,000,000	2,770,328,000	2,570,328,000	5,100,000,000 ¹
2010				
Block Grant	2,410,000,000	4,509,672,000	4,509,672,000	4,509,672,000
Contingency	790,000,000	590,328,000	590,328,000	
Fund				590,328,000
1% Transfer to				
HRSA				-777,000
Total				
Discretionary				
Funding	3,200,000,000	5,100,000,000	5,100,000,000	5,099,223,000

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

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
Mandatory Trigger	450,000,000			
2011				
Block Grant	2,510,000,000			4,509,672,000
Contingency Fund	790,000,000			200,328,000
Contingency Fund awarded under CR				73,000
Rescission				-9,420,000
Total Discretionary Funding	3,300,000,000			4,700,653,000
Mandatory Trigger	2,000,000,000			
2012				
Block Grant	1,980,000,000	3,391,973,000	3,400,653,000	3,478,246,000
Contingency Fund	589,551,000		199,927,000	
Rescission				-6,574,000
Total	2,569,551,000	3,391,973,000	3,600,580,000	3,471,672,000
2013				
Block Grant	2,820,000,000	3,391,973,000	3,471,672,000	3,471,672,115
Contingency Fund	200,000,000	100,000,000		
1%Transfer to ORR				-34,647,288
Sequestration				-174,645,937
Rescission				-6,943,344
Total	3,020,000,000	3,471,672,000	3,471,672,000	3,255,435,546
2014				
Block Grant	2,820,000,000		3,614,729,000	3,424,549,000
Contingency Fund	150,000,000			
Energy Reduction Burden Grants	50,000,000			
Total	3,020,000,000		3,614,729,000	3,424,549,000
2015				
Block Grant	2,550,000,000			
Contingency Fund	200,000,000			

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
Energy Reduction Burden Grants	50,000,000			
Total	2,800,000,000			

ADMINISTRATION FOR CHILDREN AND FAMILIES
Low Income Home Energy Assistance Program

Amounts Available for Obligation

<u>Budgetary Resources</u>	FY 2013 <u>Actual</u>	FY 2014 <u>Enacted</u>	FY 2015 <u>President's Budget</u>
Annual, B.A.	\$3,471,672,000	\$3,424,549,000	\$2,800,000,000
Rescission	-6,943,000	0	0
Sequestration	-174,646,000	0	0
Subtotal, Net Budget Authority	\$3,290,083,000	\$3,424,549,000	\$2,800,000,000
Secretary's 1 % Transfer	-34,647,000	0	0
Subtotal, Adjusted Budget Authority	\$3,255,436,000	\$3,424,549,000	\$2,800,000,000
Total Obligations	\$3,255,436,000	\$3,424,549,000	\$2,800,000,000

ADMINISTRATION FOR CHILDREN AND FAMILIES
Low Income Home Energy Assistance Program

Budget Authority by Activity

<u>Activity</u>	FY 2013 <u>Enacted</u>	FY 2014 <u>Enacted</u>	FY 2015 <u>President's Budget</u>
Block Grant			
Grants to States	\$3,252,598,000	\$3,394,561,000	\$2,520,000,000
Leveraging Incentive Funds	0	27,000,000	27,000,000
Training & Technical Assistance	2,838,000	2,988,000	3,000,000
Subtotal, Block Grant	3,255,436,000	3,424,549,000	2,550,000,000
Contingency Fund	0	0	200,000,000
Energy Reduction Burden Grants	0	0	50,000,000
Total, Budget Authority	\$3,255,436,000	\$3,424,549,000	\$2,800,000,000

ADMINISTRATION FOR CHILDREN AND FAMILIES
Low Income Home Energy Assistance Program

Summary of Changes

FY 2014 Estimate	
Total estimated budget authority	\$3,424,549,000
FY 2015 Estimate	
Total estimated budget authority	\$2,800,000,000
Net change	-\$624,549,000

<u>Description of Changes</u>	<u>FY 2014 Estimate</u>	<u>Change from Base</u>
<u>Increases:</u>		
A. <u>Program:</u>		
1) LIHEAP Contingency Fund: The budget includes a request of \$200 million for weather-related emergencies and price fluctuations.	\$0	+\$200,000,000
2) LIHEAP Energy Burden Reduction Grants: This budget request includes \$50 million for new competitive energy burden reduction activities to assist low-income families in reducing energy burden.	\$0	+\$50,000,000
Subtotal, Program Increases		+\$250,000,000
Total, Increases		+\$250,000,000
<u>Decreases:</u>		
A. <u>Program:</u>		
1) LIHEAP Block Grant: The budget request limits LIHEAP block grant to \$2.55 billion reflecting tough choices within limited Federal resources.	\$3,424,549,000	-\$874,549,000
Subtotal, Program Decreases		-\$874,549,000
Total, Decreases		-\$874,549,000
Net Change		-\$624,549,000

ADMINISTRATION FOR CHILDREN AND FAMILIES
Low Income Home Energy Assistance Program

Justification

Funding Level	FY 2013 Enacted	FY 2014 Enacted	FY 2015 President's Budget	Change From FY 2014 Enacted
Total, Budget Authority	\$3,255,436,000	\$3,424,549,000	\$2,800,000,000	-\$624,549,000

Authorizing Legislation – Section 2602(b), (d) and (e) of the Low Income Energy Assistance Act of 1981

2015 AuthorizationSuch sums as may be appropriated pending Congressional action

Allocation Method Formula Grant/Other

General Statement

The Low Income Home Energy Assistance Program (LIHEAP) provides home heating and cooling assistance to low-income households consistent with the Administration for Children and Families (ACF) strategic goal to build healthy, safe and supportive communities and tribes.

States use LIHEAP funds to target assistance to low-income households with high energy burdens or need in accordance with the Low Income Energy Assistance Act of 1981, as amended. The statute indicates that households with the highest energy needs include those vulnerable households with very young children, individuals with disabilities, and frail older individuals. Through a collaborative process with state and local LIHEAP officials the program has defined national reciprocity targeting indices for both elderly (60 years and older) and young child (five years old or younger) households as a way to measure the extent to which LIHEAP targets vulnerable populations to receive heating assistance. For FY 2011, preliminary data show that approximately 30 percent of LIHEAP heating recipients were elderly households and 23 percent were households including young children. An unknown number of these households could include both elderly and young child members.

Program Description and Accomplishments – LIHEAP Block Grant – LIHEAP provides home energy assistance to low-income households generally 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 territories 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 are required to 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. Typically, states elect to provide benefits in the form of direct payments to vendors on behalf of recipient households. Up to ten percent of the funds payable to a state may be used to support planning and administrative costs. States may request that up to ten percent of the funds be held available for obligation in the subsequent year.

State responses to the *LIHEAP Grantee Survey for FY 2011* indicate preliminarily that 51 states provided an estimated \$2.5 billion for heating assistance, 16 states provided an estimated \$269 million for cooling assistance, 48 states provided an estimated \$1 billion for winter/year-round crisis assistance, and/or

summer crisis assistance, and 41 states provided an estimated \$431 million in assistance for low-cost residential weatherization or other energy-related home repair.

Using the preliminary data available from FY 2011, an estimated 6.8 million households received assistance with heating costs through LIHEAP. On average, the annual heating assistance benefit per household was \$370, with estimated heating benefits ranging from the lowest state average of \$142 to the highest of \$1,371. The typical household that received heating assistance had a median income at 82 percent of the Department of Health and Human Services (HHS) Poverty Guidelines; such assistance offset 66 percent of their annual heating costs.¹

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, energy prices, or other causes of energy-related emergencies. The authorizing statute gives the Secretary the discretion in determining when and how appropriated Contingency Funds should be disbursed. The FY 2012-2014 enacted appropriations did not include Contingency Funds.

Leveraging Incentive and REACH Programs – LIHEAP also includes the Leveraging Incentive and the Residential Energy Assistance Challenge (REACH) programs. Leveraging Incentive funds have been successful in encouraging states and utility companies to add non-federal energy assistance resources to low-income households beyond what could be provided with federal LIHEAP resources. In FY 2012, states reported the value of \$2.9 billion in allowable non-federal energy assistance resources, largely in the form of utility fuel funds, cash contributions, donations of heating/cooling equipment, and utility waivers of late payment and arrearage charges for LIHEAP eligible households.

REACH is a competitive grant program that assists a limited number of LIHEAP grantees in developing and operating programs to help LIHEAP-eligible households reduce their energy vulnerability. For example, in FY 2012, 11 REACH awards totaling \$1.4 million were made to state and tribal projects that support energy efficiency education to rural communities, target the most vulnerable populations susceptible to health issues as a result of inadequate heating and cooling, and implement an alternative energy program that provides efficient wood pellet stoves to tribal families. In FY 2013, HHS did not distribute Leveraging or REACH awards.

Training and Technical Assistance Activities – In FY 2012, 2013 and 2014, approximately \$3 million in funding was appropriated to support technical assistance, training, and monitoring of program activities for compliance with internal controls, policies and procedures in states to improve program integrity. HHS established the LIHEAP Program Integrity Work Group (LPIWG) in January 2011, via a contract with the LIHEAP Clearinghouse. Additionally, states participated in the LIHEAP Performance Measures Implementation Work Group (PMIWG). Both groups made recommendations to HHS and, along with the recommendations from other stakeholder groups such as the National Energy Assistance Directors' Association, the ACF Office of Community Services (OCS) developed a program integrity plan. The program integrity plan included awarding four new contracts in FY 2012, which were continued in FY 2013 and 2014. The four contracts centering on various program integrity efforts are described below.

- Grantee Monitoring: FY 2012 funds were used to support activities for FY 2013 that expanded the capacity and resources for conducting compliance reviews (both on site and desk reviews). This contract helps HHS fulfill its commitment on LIHEAP program integrity by dedicating additional resources to preventing, detecting and resolving potential fraud in the program. The funds also allowed HHS to expand the number of staff involved with monitoring reviews and the number of reviews conducted of grantee

¹ The FY 2011 information will be updated once the FY 2011 LIHEAP Annual Report to Congress is completed.

programs to 11 site visits and 2 desk reviews. ACF intends to use FY 2013 funds to continue these activities in FY 2014. In FY 2014, ACF has scheduled 14 site visits.

- Grantee Training and Technical Assistance: FY 2012 and FY 2013 funds supported activities in FY 2013 and FY 2014 to provide direct guidance and assistance to LIHEAP grantees via development of training curricula on program integrity, and convening a training conference and workshops. A national two-day LIHEAP grantee training conference was held in June, 2013. Regional training sessions will be provided in 2014.
- Program Accountability: FY 2012 funds supported activities in FY 2013 and FY 2014 through a contract to address program integrity needs for LIHEAP as identified by GAO and the LPIWG, including options for addressing third-party verification of a household's eligibility.
- Performance Data: FY 2012 funds, supported activities in FY 2013 and FY 2014 through a contract to support implementation of outcome performance measures for LIHEAP to provide opportunities for performance-driven decision making and provide grantees a web-based data collection and reporting tool for the performance measures. In FY 2013, the contractor developed a pilot web-based data warehouse and information sharing tool that grantees are testing. In FY 2014, more data will be made available in the system and a public access portion of the site will be made available. A state grantee needs assessment regarding capacity to report performance data and conduct third party verification (the latter part is in conjunction with the program accountability contract) is expected to be put into the field during the winter of 2014.

In April 2010, ACF established the LIHEAP PMIWG, consisting of state LIHEAP Directors and ACF staff, as a follow up to an initial Performance Measures Work Group that began in June 2008. The PMIWG recommended that ACF require certain baseline performance measures to be reported on by all LIHEAP state grants, and went through a rigorous selection process to choose three new developmental performance measures from the larger set of potential measure recommendations drafted by the first Work Group. The PMIWG worked with stakeholders to establish definitions and assess grantees' ability to collect and report on these new measures. During 2013, ACF sought 60 days of public comment on the proposed developmental performance measures; as a result of the comments received, ACF revised this set of goals to improve the usefulness of the data. In 2014, ACF intends to seek 30 days of additional public comment on the revised proposal and OMB clearance of the new measures. The PMIWG will continue to be active through FY 2015 to provide expertise to ACF on its training and technical assistance strategy for supporting states in their implementation of the new measures. The PMIWG will assist HHS in testing the electronic data collection form. In addition to the state reported performance measures, ACF is also tracking the number of repeat OMB Circular A-133 Single Audit Act findings related to LIHEAP among grantees, defining success by a reduction in the number of repeat findings over time. ACF currently has access to the audit data, so this measure is not anticipated to impose a new burden on the public.

Additionally, the PMIWG recommends that ACF make available on an optional basis the full four tiers of new performance measures that the PMIWG developed. ACF has developed a web-based tool that will enable states to report on all of the required and recommended performance measures. ACF intends to begin data collection for the developmental performance measures in FY 2015 in order to establish a baseline if a sufficient number of states report the data. All states will be required to report the data to ACF in FY 2016.

In June 2010, the U.S. Government Accountability Office (GAO) issued a report titled, *LIHEAP: Greater Fraud Prevention Controls Needed*, based on an investigation of seven state LIHEAP grantees that found instances of ineligible households or household members receiving LIHEAP benefits and fraudulent energy vendors receiving LIHEAP payments on behalf of recipients. ACF considers program integrity to be a critical aspect of program management and ACF has taken a number of steps to provide new guidance to LIHEAP grantees addressing program integrity.² ACF released programmatic guidance encouraging states to use Social Security Numbers (SSNs) as an eligibility requirement and to apply rigorous program integrity measures under their LIHEAP programs. During the second round of program integrity reviews in September 2012, 45 states required or asked for SSNs, and 3 states committed to begin requiring SSNs in FY 2013. The second round of reviews showed increased efforts on the part of states to strengthen eligibility measures.

Funding for the program during the last five years has been as follows:

2010	\$5,099,223,000
2011	\$4,700,653,000
2012	\$3,471,672,000
2013	\$3,255,435,536
2014	\$3,424,549,000

Budget Request – The FY 2015 request for LIHEAP is \$2,800,000,000, a decrease of \$624,549,000 from the FY 2014 enacted level. Block Grant funding is decreased by \$874,549,000, partially offset by increases for the Contingency Fund of \$200,000,000 and for the Energy Burden Reduction Grants of \$50,000,000. The request represents a difficult budget decision in a challenging environment and recognizes the importance of both increasing energy efficiency through the Administration’s various weatherization efforts and reducing home energy burden through LIHEAP assistance. This funding request includes \$2,550,000,000 for the Block Grant funding to assist the most vulnerable low-income families, including \$3 million for continuing LIHEAP integrity improvement and oversight efforts to ensure that LIHEAP funding is provided to those eligible for energy assistance. The Contingency Fund resources of \$200 million will be targeted to responding to high energy prices and other energy related emergencies as determined by the Secretary. In the event of future delivered fuel price spikes, for instance, the contingency funds can be targeted to those states that depend most heavily on delivered fuels. Additionally, \$50 million will assist in reducing high energy burdens by coordinating strategies such as replacement of high burden heating systems to LIHEAP families most in need of addressing their high energy costs and energy education.

The new energy burden reduction activities will target \$50 million in resources to energy burden reduction strategies such as system replacement for inefficient heating and other energy conservation measures. A \$1.5 million set-aside of funding is included to support a national evaluation related to reducing low-income household energy usage under the proposed LIHEAP Energy Burden Reduction Grants. Heating systems in LIHEAP eligible households tend to be older and therefore less efficient than heating systems used by other households. In conjunction with these competitive grants, LIHEAP families could reduce their monthly energy costs by converting to a more affordable energy source like natural gas. For families with home-delivered fuels, such as oil or propane, the cost of heating a home can be more than three times the cost of heating with natural gas. Thus, replacing high burden, high cost systems with more efficient ones, combined with energy conservation measures can improve the impacts of future LIHEAP appropriations. Grants will be awarded to states that have disconnection protections in place.

² See: www.acf.hhs.gov/programs/ocs/liheap/guidance/information_memoranda/im10-06.html

The FY 2015 budget request proposes \$3 million of enhanced Training and Technical Assistance (T&TA) funds to continue activities under four ongoing priorities and focus areas. In 2015, ACF intends to continue the use of enhanced T&TA funds in part to support at least 14 monitoring site visits annually. Since FY 2012, these site visit reviews have expanded in scope to include more robust fiscal analysis of grantees and selected subgrantee programs. The funding will also continue expanded training and technical assistance activities, such as convening national and regional LIHEAP grantee training meetings, additional webinars, targeted on-site T&TA to follow-up on compliance review findings, and facilitating a peer-to-peer mentorship program among LIHEAP grantees. In addition, OCS will continue to maintain and enhance the new performance measures web-based tool and T&TA to grantees on collecting valid and reliable data under the proposed new performance measures.

The FY 2015 budget re-proposes legislative changes that would reauthorize and modify LIHEAP for five years to increase program oversight and promote program effectiveness by: (1) requiring states to provide in their State Plans a detailed description of the state's system to prevent and detect waste, fraud, and abuse by clients, vendors, and staff, and to report to HHS on the features of such a system; (2) requiring states to collect Social Security Numbers (or the equivalent for qualified immigrants) from all eligible household members; (3) authorizing LIHEAP access to the National Directory of New Hires to detect and prevent program waste, fraud, and abuse; and (4) permanently increasing the authorization for LIHEAP training and technical assistance funds to \$3,000,000 and eliminating the limitations on the types of entities that may receive T&TA funding via a contract.

LIHEAP currently uses a reciprocity targeting index to measure how well LIHEAP is reaching elderly households and households that include young children, by comparing these vulnerable groups' receipt of LIHEAP heating assistance to these groups' representation in the low-income household population. For example, if 25 percent of the low-income households included children and 25 percent of LIHEAP-receiving households included children, then the reciprocity targeting index for children would be 100. Program data for FY 2012 indicate that LIHEAP has improved its outreach to eligible elderly households (the FY 2012 actual result of 83 exceeded the target of 80, and improved on the previous year's result of 78). However, the improved index score still indicates that elderly households receiving heating assistance were served at a level below their representation in the income eligible population of elderly households. To continue to improve LIHEAP's ability to reach the elderly populations, ACF participates in the National Center for Outreach and Benefit Enrollment, which is funded by the Administration on Aging, now part of the Administration for Community Living. LIHEAP is one of five federal benefit programs that this Center is studying in an effort to develop innovative ways for increasing benefit enrollment of the elderly. ACF's target for FY 2015 is to maintain the prior year's actual result. Program data for FY 2012 indicate that LIHEAP did not meet its goal for targeting young child households, receiving an actual result of 114 as opposed to the goal of 124; however, the score of 114 indicates that young child households are still being served in a greater proportion than the rest of the LIHEAP household population.

As illustrated in the following Outcome and Output Table, ACF will be working to implement the following new performance goals in FY 2014 and plans for full implementation in FY 2015: 1) increasing benefit targeting index score for high burden households; 2) increasing burden reduction index score for high burden households; 3) maintain restoration of home energy service for LIHEAP recipient households; 4) increase prevention of loss of home energy services; and 5) reducing the percentage of repeat findings in grantees' LIHEAP A-133 audits.

Outputs and Outcomes Table

Measure	Most Recent Result	FY 2014 Target	FY 2015 Target	FY 2015 Target +/- FY 2014 Target
<u>1.1LT and 1A</u> : Reciprocity targeting index score of households having at least one member 60 years or older. ³ (Outcome)	FY 2012: 83 Target: 80 (Target Exceeded)	Maintain Prior Result	Maintain Prior Result	N/A
<u>1.1LT and 1B</u> : Reciprocity targeting index score for LIHEAP households having at least one member five years or younger. ⁴ (Outcome)	FY 2012: 114 Target: 124 (Target Not Met)	Maintain Prior Result	Maintain Prior Result	N/A
<u>1C</u> : Increase benefit targeting index score for high burden households. ⁵ (Developmental Outcome)	N/A	N/A	TBD	N/A
<u>1D</u> : Increase energy burden reduction index score for high burden households. ⁶ (Developmental Outcome)	N/A	N/A	TBD	N/A
<u>1E</u> : Maintain restoration of home energy service for LIHEAP recipient households. (Developmental Outcome)	N/A	N/A	TBD	N/A
<u>1F</u> : Increase prevention of loss of home energy services. ⁷ (Developmental Outcome)	N/A	N/A	TBD	
<u>1G</u> : Reduce the percentage of repeat findings from grantees' A-133 audits. (Developmental Outcome)	N/A	N/A	TBD	N/A
<u>1i</u> : Number of heating assistance households with at least one member 60 years or older (millions). (Output)	FY 2012: 1.95 million households (Preliminary) (Historical Actual)	N/A	N/A	N/A

³ This measure is calculated using only heating-assisted households with at least one elderly member.

⁴ This measure is calculated using only heating-assisted households with at least one young child.

⁵ The wording of this developmental performance measure has been updated to reflect stakeholder input.

⁶ The wording of this developmental performance measure has been updated to reflect stakeholder input.

⁷ This performance measure has been added to the set of developmental performance measures to reflect stakeholder input.

Measure	Most Recent Result	FY 2014 Target	FY 2015 Target	FY 2015 Target +/- FY 2014 Target
<u>1ii</u> : Number of heating assistance households served with at least one member five years or younger (millions). (Output)	FY 2012: 1.3 million households (Preliminary) (Historical Actual)	N/A	N/A	N/A

Resource and Program Data
Low Income Home Energy Assistance Program

Data Category	FY 2013 Actual	FY 2014 Enacted	FY 2015 President's Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$3,252,597,838	\$3,394,561,000	\$2,720,000,000
Competitive		27,000,000	75,200,000
Research/Evaluation			1,500,000
Demonstration/Development			
Training/Technical Assistance	2,098,918	2,240,759	2,479,527
Program Support	738,790	747,241	820,473
Total, Resources	\$3,255,435,546	\$3,424,549,000	\$2,800,000,000
<u>Program Data:</u>			
Number of Grants	208	279	293
New Starts			
#	208	279	293
\$	\$3,252,597,838	\$3,421,561,000	\$2,796,700,000
Continuations			
#	0	0	0
\$	\$0	\$0	\$0
Contracts			
#	8	8	10
\$	\$2,126,448	\$2,268,289	\$2,573,652
Interagency Agreements			
#	1	1	2
\$	\$610,427	\$510,473	\$660,473

Notes:

1. The FY 2015 Service Grants Competitive includes \$48,200,000 for LIHEAP Energy Burden Reduction Grants and \$27,000,000 for Leveraging Incentive (Leveraging) program and Residential Energy Assistance Challenge (REACH) program funding.
2. Research and Evaluation – In FY 2015 these funds will support a national evaluation feasibility study related to reducing low-income household energy usage under the proposed LIHEAP Energy Burden Reduction Grants.
3. Program Support includes funding for information technology support, panel and monitoring/on site review and associated overhead costs. Of this amount, \$300,000 is estimated for LIHEAP Energy Burden Reduction Grants information technology cost.
4. FY 2015 New Starts – The number of new starts includes FY 2015 for the LIHEAP Energy Burden Reduction Grants but no amount for the Contingency Fund. The \$2.7 billion new start total dollar amount includes \$200,000,000 for the Contingency Fund and \$48,200,000 for the LIHEAP Energy Burden Reduction Grants.

ADMINISTRATION FOR CHILDREN AND FAMILIES

State Table - Low Income Home Energy Assistance Program

FY 2015 Formula Grants

CFDA # 93,568

STATE/TERRITORY	FY 2013 Actual	FY 2014 Enacted	FY 2015 Estimate	Difference from FY 2014 Enacted
Alabama	47,936,740	48,652,075	35,581,843	-13,070,232
Alaska	10,149,914	11,161,251	8,327,183	-2,834,068
Arizona	21,437,187	21,757,084	15,912,112	-5,844,972
Arkansas	26,746,150	27,563,295	21,579,035	-5,984,260
California	144,172,575	152,593,390	112,886,045	-39,707,345
Colorado	44,269,819	46,476,616	34,478,570	-11,998,046
Connecticut	76,013,951	77,577,443	58,976,066	-18,601,377
Delaware	12,572,988	13,044,055	10,435,829	-2,608,226
District of Columbia	9,976,044	10,496,568	7,686,421	-2,810,147
Florida	76,356,459	77,495,887	56,676,855	-20,819,032
Georgia	60,386,969	61,288,091	44,823,233	-16,464,858
Hawaii	5,416,460	6,172,046	4,513,946	-1,658,100
Idaho	18,275,222	19,228,777	14,080,836	-5,147,941
Illinois	160,190,564	167,814,436	124,492,751	-43,321,685
Indiana	72,367,246	75,974,999	56,360,156	-19,614,843
Iowa	51,292,360	53,849,223	39,947,921	-13,901,302
Kansas	31,366,501	31,045,101	23,486,200	-7,558,901
Kentucky	43,482,909	48,391,058	36,371,620	-12,019,438
Louisiana	40,863,591	42,151,716	33,869,189	-8,282,527
Maine	36,046,318	37,843,184	28,073,878	-9,769,306
Maryland	70,390,360	68,659,426	53,947,235	-14,712,191
Massachusetts	132,150,377	140,200,372	103,774,268	-36,426,104
Michigan	164,584,788	164,798,202	117,987,749	-46,810,453
Minnesota	109,334,525	114,784,720	85,152,778	-29,631,942
Mississippi	29,257,330	30,127,142	23,452,436	-6,674,706
Missouri	66,552,600	71,033,465	51,215,066	-19,818,399
Montana	18,590,704	19,560,719	14,323,911	-5,236,808
Nebraska	28,196,439	29,668,596	21,720,882	-7,947,714
Nevada	10,963,740	11,127,345	8,138,018	-2,989,327
New Hampshire	24,321,370	25,590,396	18,739,319	-6,851,077
New Jersey	124,480,143	124,834,983	91,266,848	-33,568,135
New Mexico	14,669,509	15,434,926	11,644,269	-3,790,657
New York	349,982,701	367,428,908	272,576,287	-94,852,621
North Carolina	86,142,314	86,885,447	69,461,691	-17,423,756
North Dakota	18,993,641	19,570,105	14,330,783	-5,239,322

STATE/TERRITORY	FY 2013 Actual	FY 2014 Enacted	FY 2015 Estimate	Difference from FY 2014 Enacted
Ohio	144,794,148	154,642,442	110,885,769	-43,756,673
Oklahoma	32,650,343	33,786,466	27,052,543	-6,733,923
Oregon	33,673,629	35,372,018	26,138,118	-9,233,900
Pennsylvania	190,809,983	203,503,932	146,491,699	-57,012,233
Rhode Island	23,908,130	23,795,965	17,773,438	-6,022,527
South Carolina	38,335,456	38,907,516	28,455,131	-10,452,385
South Dakota	16,712,173	17,584,171	12,876,526	-4,707,645
Tennessee	56,855,731	58,163,221	45,524,279	-12,638,942
Texas	127,064,242	128,960,357	94,315,553	-34,644,804
Utah	22,492,828	23,630,474	17,384,391	-6,246,083
Vermont	18,229,732	19,180,913	14,045,787	-5,135,126
Virginia	78,971,132	82,051,730	64,210,885	-17,840,845
Washington	54,401,220	57,113,478	42,367,317	-14,746,161
West Virginia	27,723,382	29,169,918	21,360,528	-7,809,390
Wisconsin	98,416,772	103,322,730	76,649,728	-26,673,002
Wyoming	8,865,998	9,322,491	6,826,668	-2,495,823
Subtotal	3,211,835,407	3,338,788,869	2,478,649,589	-860,139,280
Indian Tribes	36,357,503	38,799,326	28,750,411	-10,048,915
Subtotal	36,357,503	38,799,326	28,750,411	-10,048,915
American Samoa	72,869	280,774	208,437	-72,337
Guam	159,763	615,587	456,990	-158,597
Northern Mariana Islands	55,490	213,811	158,725	-55,086
Puerto Rico	3,965,733	15,280,528	11,343,714	-3,936,814
Virgin Islands	151,073	582,105	432,134	-149,971
Subtotal	4,404,928	16,972,805	12,600,000	-4,372,805
Total States/Territories	3,252,597,838	3,394,561,000	2,520,000,000	-874,561,000
Discretionary Funds	0	27,000,000	77,000,000	50,000,000
Other	0	0	200,000,000	200,000,000
Training and Technical Assistance	2,837,708	2,988,000	3,000,000	12,000
Subtotal, Adjustments	2,837,708	29,988,000	280,000,000	250,012,000
TOTAL RESOURCES	\$3,255,435,546	\$3,424,549,000	\$2,800,000,000	-\$624,549,000

Notes:

1. FY 2015 Discretionary Funds – These funds consist of \$23,985,000 for the Leveraging Incentive (Leveraging) program, \$3,015,000 for the Residential Energy Assistance Challenge (REACH) program, and an additional \$50,000,000 consist of new funds, which are targeted for Energy Burden Reduction activities.
2. Total Amounts – State allocations in all years are subject to change based on tribal agreements, therefore all final state allocations will be included on the HHS/ACF Office of Community Services web site located at this URL: <http://www.acf.hhs.gov/programs/ocs/resource/liheap-funding-tables>.
3. FY 2015 – Other Funds -- The FY 2015 Budget includes \$200,000,000 in LIHEAP Contingency Fund for unanticipated home-energy related emergencies, such as extreme weather patterns, natural disasters and fuel price spikes.
4. In FY 2014, HHS increased the territory set-aside from 0.1 percent to 0.5 percent.