



CRS Report for Congress

Low Income Home Energy Assistance Program (LIHEAP): Estimated Allocations

Libby Perl
Analyst in Social Legislation
Domestic Social Policy Division

Summary

The Low Income Home Energy Assistance Program (LIHEAP) is a block grant program under which the federal government gives annual grants to states, the District of Columbia, U.S. territories and commonwealths, and Indian tribal organizations to operate multi-component home energy assistance programs for needy households. This report contains two tables that show estimated LIHEAP allocations to the states. **Table 1** shows state allocations at various levels: (1) the amount appropriated for FY2006, (2) the amount appropriated for FY2007, (3) the estimated state allocations based on the amount proposed by the President for FY2008, and (4) the estimated state allocations based on the House and Senate Labor, Health and Human Services, and Education Appropriations Subcommittees. **Table 2** shows estimated state allocations at other hypothetical appropriations increments. For detailed information on how the LIHEAP formula allocates funds to the states, see CRS Report RL33275, *Low-Income Home Energy Assistance Allocation Rates: Legislative History and Current Law*, by Julie M. Whittaker and Libby Perl. This report will be updated when proposed funding levels change.

Low Income Home Energy Assistance Program

The Low Income Home Energy Assistance Program (LIHEAP) is a block grant program under which the federal government gives annual grants to states, the District of Columbia, U.S. territories and commonwealths, and Indian tribal organizations to operate multi-component home energy assistance programs for needy households.¹ Established in 1981 by Title XXVI of P.L. 97-35, LIHEAP has been reauthorized and amended several times, most recently in 2005, when P.L. 109-58 reauthorized annual regular LIHEAP funds at \$5.1 billion per year from FY2005 to FY2007. The total LIHEAP

¹ For additional information on LIHEAP, see CRS Report RL31865, *The Low-Income Home Energy Assistance Program (LIHEAP): Program and Funding*, by Libby Perl.

appropriation for FY2007 was \$2.16 billion (P.L. 110-5). In FY2006, \$3.161 billion was appropriated for LIHEAP (P.L. 109-149 and P.L. 109-204), the largest amount ever appropriated for the program.

The LIHEAP statute provides for two types of program funding: regular funds and contingency funds. Regular funds are allotted to states according to methods prescribed by the LIHEAP statute.² The method of allotment may change based on the amount of funds appropriated by Congress. In FY2007, \$1.98 billion was allocated to regular funds, and in FY2006, \$2.48 billion of the total LIHEAP appropriation was distributed as regular funds. The second type of LIHEAP funding, called contingency funds, may be released and allotted to one or more states at the discretion of the President and the Secretary of Health and Human Services (HHS). The contingency funds may be released at any point in the fiscal year to meet additional home energy assistance needs created by a natural disaster or other emergency.³ In FY2007, Congress appropriated \$181 million for contingency funds. The amount provided for contingency funds in FY2006 was \$681 million.

FY2007 Funding and Proposed FY2008 Funding

For FY2007, Congress appropriated \$1.98 billion in LIHEAP regular funds (P.L. 110-5). Column (b) of **Table 1** shows the amount of funds allocated to each state at an appropriation of \$1.98 billion. The President's FY2008 budget requested \$1.5 billion for regular block grant funds. Column (c) of **Table 1** shows the estimated amount of funds each state would receive at an appropriation of \$1.5 billion. Both the House and Senate Labor, Health and Human Services, and Education Appropriations Subcommittees have proposed to provide \$1.98 billion in regular funds for LIHEAP in FY2008. Column (d) shows appropriations at \$1.98 billion (the estimates are the same as the allocations to the states in FY2007). Column (a) shows the amount allotted to each state in FY2006, when \$2.48 billion was appropriated for regular LIHEAP funds.

Following **Table 1**, **Table 2** shows estimated allocations to the states at various hypothetical appropriations levels. These amounts are \$1.75 billion, \$2.0 billion, \$2.25 billion, \$2.5 billion, \$2.75 billion, \$3.0 billion, \$4.0 billion, and \$5.1 billion (the amount at which the LIHEAP program was last authorized in P.L. 109-58). Note that formula factors have changed recently; HHS released new formula factors in May 2007. Prior to that, factors had last been updated in December 2005. Use of these new formula factors means that hypothetical allocations among the states (at appropriations above approximately \$2 billion) are different than they were using the December 2005 factors.

² See Section 2604(a)-(d) of the Low Income Home Energy Assistance Act (Title XXVI of P.L. 97-35), as amended. The section is codified at 42 U.S.C. §8623(a)-(d).

³ Depending on how Congress appropriates them, contingency funds may remain available for distribution in more than one fiscal year or they may expire with the fiscal year for which they were appropriated.

Table 1. LIHEAP State Regular Fund Allotments for FY2006 and FY2007, and Estimated State Allotments for FY2008

(\$ in millions)

State	FY2006 allotments: \$2.48 billion^a	FY2007 allotments: \$1.98 billion^b	President's FY2008 request: \$1.50 billion^c	House and Senate FY2008 Appropriations Committee proposals: \$1.98 billion^d
	(a)	(b)	(c)	(d)
Alabama	\$31.310	\$16.769	\$12.647	\$16.769
Alaska	12.572	10.704	8.073	10.704
Arizona	15.142	8.110	6.116	8.110
Arkansas	22.765	12.796	9.650	12.796
California	153.184	89.963	67.847	89.963
Colorado	31.729	31.367	23.656	31.367
Connecticut	47.809	40.920	30.860	40.920
Delaware	10.141	5.431	4.096	5.431
District of Columbia	7.852	6.355	4.793	6.355
Florida	49.542	26.534	20.011	26.534
Georgia	39.170	20.979	15.822	20.979
Hawaii	2.555	2.113	1.593	2.113
Idaho	14.370	12.235	9.227	12.235
Illinois	145.959	113.259	85.415	113.259
Indiana	53.986	51.280	38.674	51.281
Iowa	36.762	36.343	27.409	36.343
Kansas	26.798	16.690	12.587	16.690
Kentucky	44.347	26.686	20.126	26.686
Louisiana	32.010	17.144	12.929	17.144
Maine	26.815	26.509	19.992	26.510
Maryland	58.499	31.332	23.629	31.332
Massachusetts	82.797	81.853	61.730	81.853
Michigan	108.770	107.529	81.094	107.530
Minnesota	78.363	77.469	58.424	77.469
Mississippi	26.843	14.377	10.843	14.377
Missouri	59.541	45.240	34.118	45.240
Montana	16.856	14.351	10.823	14.351
Nebraska	21.109	17.973	13.555	17.973
Nevada	7.112	3.809	2.873	3.809
New Hampshire	18.197	15.493	11.684	15.493
New Jersey	77.540	75.988	57.307	75.988
New Mexico	11.925	10.153	7.657	10.153
New York	250.974	248.112	187.116	248.112
North Carolina	69.038	36.976	27.886	36.976
North Dakota	18.310	15.590	11.757	15.590
Ohio	122.259	100.194	75.563	100.195
Oklahoma	28.780	15.415	11.625	15.415
Oregon	24.591	24.311	18.334	24.311
Pennsylvania	134.810	133.273	100.509	133.273
Rhode Island	15.825	13.473	10.161	13.474
South Carolina	24.867	13.318	10.044	13.318
South Dakota	14.871	12.662	9.549	12.662

State	FY2006 allotments: \$2.48 billion ^a (a)	FY2007 allotments: \$1.98 billion ^b (b)	President's FY2008 request: \$1.50 billion ^c (c)	House and Senate FY2008 Appropriations Committee proposals: \$1.98 billion ^d (d)
Tennessee	46.363	27.033	20.387	27.033
Texas	82.421	44.144	33.292	44.144
Utah	17.120	14.576	10.993	14.576
Vermont	13.639	11.613	8.758	11.613
Virginia	71.259	38.166	28.783	38.166
Washington	40.450	39.988	30.158	39.988
West Virginia	23.818	17.660	13.319	17.660
Wisconsin	70.538	69.733	52.590	69.733
Wyoming	6.854	5.836	4.401	5.836
Total	\$2,449.16	\$1,949.83	\$1,470.48	\$1949.83

Source: Department of Health and Human Services final allocations for FY2006 and FY2007. Congressional Research Service (CRS) calculations for FY2008 proposed funding levels.

Note: These estimates take into account current program practice where HHS sets aside funds out of the regular LIHEAP fund appropriation for the territories, training and technical assistance, leveraging incentive grants, and the Residential Energy Assistance Challenge Option Program (REACH). This has implications for the total amount of funds going directly to the states. For example, an appropriation of \$1.98 billion is estimated to result in \$1.95 billion in regular LIHEAP funds going directly to the states, after the amounts for these set-asides are subtracted from the total appropriation.

- a. The total regular fund appropriation for FY2006 was \$2.48 billion, \$1.98 billion of which was appropriated in P.L. 109-149, and \$500 million in P.L. 109-204. Initially, P.L. 109-149 appropriated \$2.0 billion for regular funds, but the amount was subject to a 1% across-the-board rescission, resulting in a \$1.98 billion appropriation (P.L. 109-148). In addition, both training and technical assistance and the leveraging incentive and REACH funds were reduced by 1% in column (a).
- b. Congress approved a year-long continuing resolution for FY2007 (P.L. 110-5), which was enacted on February 15, 2007. The law provides that LIHEAP receive the same amount of funds for FY2007 that were appropriated for FY2006 in P.L. 109-149, as reduced by a 1% rescission (P.L. 109-148). The HHS FY2008 budget justifications for the LIHEAP program reserve \$27.225 million for leveraging incentive grants and \$297,000 for training and technical assistance.
- c. The President's FY2008 request would set aside \$27.225 million for leveraging incentive grants and \$297,000 for training and technical assistance.
- d. Neither the House nor the Senate Appropriations Subcommittees have specified an amount for leveraging incentive grants and training and technical assistance. These estimates assume that the amounts will be the same in FY2008 as they were in FY2006 and FY2007: \$27.225 million and \$297,000 respectively.

**Table 2. LIHEAP Estimated State Allotments
at Hypothetical Regular Fund Appropriations Levels**

(\$ in millions)

State	\$1.75 billion (a)	\$2.0 billion (b)	\$2.25 billion (c)	\$2.5 billion (d)	\$2.75 billion (e)	\$3.0 billion (f)	\$4.0 billion (g)	\$5.1 billion (h)
Alabama	\$14.792	\$16.939	\$25.470	\$36.021	\$47.488	\$57.336	\$76.627	\$97.847
Alaska	9.442	10.812	11.392	12.673	13.955	15.236	20.363	26.002
Arizona	7.153	8.192	12.318	17.420	22.966	27.814	39.351	50.249
Arkansas	11.287	12.925	19.435	26.709	29.410	32.111	42.914	54.799
California	79.353	90.872	126.272	140.478	154.684	168.889	225.712	288.218
Colorado	27.668	31.684	31.729	31.729	34.791	37.986	50.766	64.825
Connecticut	36.094	41.333	41.392	42.753	47.077	51.400	68.694	87.717
Delaware	4.791	5.486	8.249	10.734	11.819	12.905	17.246	22.022
District of Columbia	5.605	6.419	6.857	7.629	8.400	9.171	12.257	15.652
Florida	23.405	26.802	40.301	56.997	75.140	91.004	134.996	175.001
Georgia	18.505	21.191	31.864	45.065	59.410	71.952	106.735	138.365
Hawaii	1.864	2.134	2.248	2.501	2.754	3.007	4.019	5.132
Idaho	10.792	12.359	13.021	14.486	15.951	17.416	23.275	29.721
Illinois	99.901	114.403	114.565	118.401	130.374	142.347	190.240	242.922
Indiana	45.232	51.798	51.872	54.540	60.055	65.571	87.632	111.899
Iowa	32.057	36.710	36.762	36.762	36.762	36.762	43.050	54.971
Kansas	14.722	16.859	24.526	27.285	30.044	32.803	43.840	55.980
Kentucky	23.539	26.956	37.463	41.677	45.892	50.107	66.965	85.509
Louisiana	15.122	17.317	26.039	36.826	46.325	50.579	67.597	86.316
Maine	23.383	26.777	26.815	26.815	26.815	26.815	28.625	36.551
Maryland	27.636	31.648	47.588	59.764	65.808	71.851	96.026	122.618
Massachusetts	72.199	82.680	82.797	82.797	82.797	90.332	120.724	154.156
Michigan	94.847	108.616	108.770	114.820	126.431	138.042	184.486	235.575
Minnesota	68.332	78.251	78.363	78.363	78.363	78.363	78.363	90.633
Mississippi	12.682	14.522	21.837	27.293	30.053	32.813	43.853	55.996
Missouri	39.904	45.697	55.406	61.639	67.872	74.105	99.038	126.464
Montana	12.659	14.496	15.273	16.991	18.709	20.428	27.300	34.861
Nebraska	15.853	18.155	19.127	21.279	23.431	25.583	34.190	43.658
Nevada	3.360	3.847	5.785	8.182	10.786	13.064	19.379	25.121

CRS-6

State	\$1.75 billion (a)	\$2.0 billion (b)	\$2.25 billion (c)	\$2.5 billion (d)	\$2.75 billion (e)	\$3.0 billion (f)	\$4.0 billion (g)	\$5.1 billion (h)
New Hampshire	13.666	15.650	16.488	18.343	20.198	22.053	29.472	37.634
New Jersey	67.026	76.756	76.865	76.865	77.141	84.225	112.563	143.734
New Mexico	8.956	10.256	13.934	15.501	17.069	18.636	24.906	31.804
New York	218.850	250.618	250.974	250.974	250.974	252.031	336.827	430.102
North Carolina	32.615	37.350	56.161	78.646	86.599	94.552	126.364	161.357
North Dakota	13.751	15.747	16.591	18.457	20.324	22.190	29.656	37.869
Ohio	88.377	101.207	101.350	111.388	122.652	133.916	178.972	228.534
Oklahoma	13.597	15.570	23.412	33.111	39.479	43.105	57.607	73.560
Oregon	21.444	24.557	24.591	24.879	27.395	29.911	39.974	51.044
Pennsylvania	117.555	134.619	134.810	134.810	140.646	153.563	205.229	262.062
Rhode Island	11.884	13.610	14.339	15.952	17.565	19.178	25.631	32.728
South Carolina	11.748	13.453	20.228	28.608	37.715	42.282	56.508	72.157
South Dakota	11.168	12.790	13.475	14.991	16.507	18.023	24.086	30.756
Tennessee	23.844	27.306	41.058	50.724	55.854	60.983	81.501	104.071
Texas	38.938	44.590	67.047	94.823	125.009	151.400	224.589	291.143
Utah	12.857	14.724	15.513	17.258	19.003	20.748	27.729	35.407
Vermont	10.243	11.730	12.358	13.749	15.139	16.529	22.091	28.208
Virginia	33.664	38.551	57.967	69.555	76.589	83.622	111.757	142.705
Washington	35.272	40.392	40.450	40.450	44.062	48.109	64.295	82.100
West Virginia	15.577	17.839	21.296	23.692	26.087	28.483	38.066	48.608
Wisconsin	61.509	70.438	70.538	70.538	70.538	70.538	83.632	106.792
Wyoming	5.148	5.895	6.211	6.910	7.608	8.307	11.102	14.176
Total	\$1,719.868	\$1,969.529	\$2219.191	\$2468.852	\$2718.513	\$2968.175	\$3966.821	\$5065.331

Source: Congressional Research Service (CRS) calculations based on factors provided by the Department of Health and Human Services (HHS) in May 2007.

Note: For each of these estimates, \$27.5 million for leveraging incentive grants, \$300,000 for training and technical assistance, and the estimated grants to the territories have been removed from the total hypothetical grant amounts.