

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

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, \$1,700,000,000.

For making payments under title XXVI of the Omnibus Reconciliation Act of 1981, \$300,000,000: *Provided*, That these funds are for the unanticipated home energy assistance needs of one or more States, as authorized by section 2604(e) of the Act [: *Provided further*, That these funds are hereby designated by Congress to be emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That these funds shall be made available only after submission to Congress of an official budget request by the President that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985], and notwithstanding the designation requirement of section 2602(e).

Departments of Labor, Health and Human Services and Education, and Related Agencies Appropriations Act, 2003, as proposed in the FY 2003 President's Budget

Explanation of Language Change

Language is deleted to reflect administration-wide decision to remove BEA emergency designation.

ADMINISTRATION FOR CHILDREN AND FAMILIES
Low Income Home Energy Assistance Program

Amounts Available for Obligation

| | <u>2002 Actual</u> | <u>2003 President's Budget</u> | <u>2004 Estimate</u> |
|---|-------------------------------|---|---------------------------------|
| Regular Appropriation..... | \$1,700,000,000 | \$1,400,000,000 | \$1,700,000,000 |
| Contingency Fund..... | [300,000,000] | [300,000,000] | [300,000,000] |
| Contingency Funds Released..... | 100,000,000 | 200,000,000 | NA |
| Contingency Funds Available from Prior Years.. | \$300,000,000 ¹ | \$100,000,000 ¹ | \$100,000,000 ¹ |

¹ \$300,000,000 was made available in a supplemental in FY 2001, to remain available until expended. \$200M was released in January, 2003 due to higher than normal energy prices, especially home heating oil.

Low Income Home Energy Assistance Program

SUMMARY OF CHANGES

Regular Program

| | |
|--------------------------------------|------------------------|
| 2003 President's Budget Request..... | \$1,400,000,000 |
| 2004 Estimate..... | <u>\$1,700,000,000</u> |
| Net change..... | +\$300,000,000 |

Contingency Funds

| | |
|--------------------------------------|----------------------|
| 2003 President's Budget Request..... | \$300,000,000 |
| 2004 Request..... | <u>\$300,000,000</u> |
| Net Change..... | -0- |

| | <u>2003 President's Budget Base</u> | <u>Change from Base</u> |
|----------------------|--|--------------------------------|
| <u>Increases:</u> | | |
| Program..... | \$1,400,000,000 | <u>+\$300,000,000</u> |
| Total Increases..... | | <u>+\$300,000,000</u> |

Low Income Home Energy Assistance Program

Budget Authority by Activity

| | <u>2002 Actual</u> | <u>2003 President's Budget</u> | <u>2004 Estimate</u> |
|---|----------------------------------|---|----------------------------------|
| Program Funds | \$1,672,200,000 | \$1,372,200,000 | \$1,672,200,000 |
| Leveraging Incentive Funds | 27,500,000 | 27,500,000 | 27,500,000 |
| Training and Technical Assistance | 300,000 | 300,000 | 300,000 |
| Contingency Funds | 300,000,000 | 300,000,000 | 300,000,000 |
| Contingency Funds Released | [100,000,000] | [200,000,000] | NA |
| Contingency Funds Available from Prior Years | <u>[300,000,000]¹</u> | <u>[100,000,000]¹</u> | <u>[100,000,000]¹</u> |
| Total, Adjusted Budget Authority | \$2,000,000,000 | \$1,700,000,000 | \$2,000,000,000 |

Budget Authority by Object

| | <u>2003 President's Budget</u> | <u>2004 Estimate</u> | <u>Increase or Decrease</u> |
|---|---|---------------------------------|--|
| Travel..... | \$12,000 | \$12,000 | \$0 |
| Training and technical assistance | 288,000 | 288,000 | 0 |
| Grants, subsidies and contributions... | <u>1,699,700,000</u> | <u>1,999,700,000</u> | <u>0</u> |
| Total, Budget Authority..... | \$1,700,000,000 | \$2,000,000,000 | \$0 |

¹ Three hundred million dollars (\$300,000,000) was made available in a supplemental in FY 2001 to remain available until expended. \$200 million of that amount was released in January 2003 due to higher than normal energy prices, especially home heating oil.

Low Income Home Energy Assistance Program

SIGNIFICANT ITEMS IN HOUSE, SENATE AND CONFERENCE APPROPRIATIONS COMMITTEE REPORTS

The following section represents FY 2003 Congressional requirements for reports and significant items derived from Senate Report 107-216 (Labor, Health and Human Services and Education). These actions discussed below are contingent on inclusion of similar language and funding in the final FY 2003 appropriation and related reports. Additional items may be transmitted at a later date as a result of the final Conference report.

2003 Senate Committee Report Language

Item

[Contingency Funding] The Committee is disappointed by the unwillingness of the administration to release any or all of the \$600,000,000 in contingency funding currently available. The Committee notes that in both the Statement of the Managers accompanying the Supplemental Appropriations Act, 2001 (Public Law 107-20) and the Statement of the Managers accompanying the Department of Health and Human Services Appropriations Act, 2002 (Public Law 107-116), the conferees encouraged the administration to release contingency funds provided by these Acts due to the pressing additional energy assistance needs of millions of eligible families. The Committee again notes that the authorizing statute states that the contingency fund was authorized to meet the additional home energy assistance needs of one or more States arising from a natural disaster or other emergency, as defined in section 2603(1)(A-G), which includes six other factors not related to weather or natural disasters. The Committee is aware of data that has been reported over the past 12 months that show the definition of emergency has been met in many States. The Committee directs the Department to provide a report within 60 days after the enactment of this bill identifying the sources of data used for considering release of contingency funds for each of the parts of the emergency definition. The Committee encourages the Department to work with appropriate agencies and associations to make sure data is available to administer this program, and in particular, make decisions about release of contingency funding.

Action Taken or to be Taken

The Department will provide the requested report within 60 days after the enactment of the bill. The Administration assesses the need for a LIHEAP emergency release primarily based on weather conditions and energy costs. Therefore, the main sources of data used for considering release of contingency funds are: (a) weather data (Heating/Cooling Degree Days) supplied by the National Weather Service and (b) home energy fuel price data supplied by the Energy Information Administration in the Department of Energy. The report will identify any additional sources of data, if any, used for each of the parts of the emergency definition.

Low Income Home Energy Assistance Program

Authorizing Legislation

| | <u>2003 Amount Authorized</u> | <u>2003 President's Budget</u> | <u>2004 Amount Authorized</u> | <u>2004 Budget Request</u> |
|---|--|---|--|---|
| <u>Home Energy Assistance Activity:</u> | | | | |
| Section 2602(b) of the Low Income Home Energy Assistance Act of 1981, as amended. | Such sums | \$1,372,200,000 | Such sums | \$1,672,200,000 |
| Leveraging Incentive Fund, Section 2602(d) of the Low Income Home Energy Assistance Act of 1981, as amended | 30,000,000 | 27,500,000 | 30,000,000 | 27,500,000 |
| Energy Emergency Contingency Fund, Section 2602(e) of the Low Income Home Energy Assistance Act of 1981, as amended. | 600,000,000 | 300,000,000 | 600,000,000 | 300,000,000 |
| Training and Technical Assistance, from funds made available under Section 2602(b) of the Low Income Home Energy Assistance Act of 1981, as amended | 300,000 | 300,000 | 300,000 | 300,000 |
| Appropriation | | \$1,700,000,000 | | \$2,000,000,000 |

Low Income Home Energy Assistance Program

APPROPRIATIONS HISTORY TABLE

| | <u>Budget Estimate to Congress</u> | <u>House Allowance</u> | <u>Senate Allowance</u> | <u>Appropriation</u> |
|--|--|----------------------------|-----------------------------|--------------------------|
| 1995 ¹ | 1,475,000,000 | 1,475,000,000 | 1,475,000,000 | 1,475,000,000 |
| Emergency Funding | --- | [600,000,000] | [600,000,000] | [600,000,000] |
| Rescission | (50,000,000) | (250,000,000) | (89,592,000) | (155,896,000) |
| Admin. Reduction | --- | --- | --- | (1,521) |
| 1996 – Appropriated in FY 95 for obligation in FY 96 | 1,319,204,000 | 1,319,204,000 | 1,319,204,000 | 1,319,204,000 |
| Emergency Funding | --- | --- | --- | [300,000,000] |
| Rescission | --- | --- | --- | (319,204,000) |
| Further Reduction | --- | (1,000,000,000) | (100,000,000) | (100,000,000) |
| Admin. Reduction | --- | --- | --- | (2,500) |
| Emergency Sup. | --- | 180,000,000 | 180,000,000 | 180,000,000 |
| 1997 | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 |
| Emergency Funding ² | [300,000,000] | [300,000,000] | [300,000,000] | [420,000,000] |
| Emergency Funds Disbursed ³ | --- | --- | --- | 215,000,000 |
| 1998 – Appropriated in FY 97 for obligation in FY 98 | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 |
| Emergency Funding | [300,000,000] | [300,000,000] | [300,000,000] | |
| Emergency Funds Disbursed | --- | --- | --- | 160,000,000 ⁴ |
| 1999 – Appropriated in FY 98 for obligation in FY 99 | 1,000,000,000 | 1,000,000,000 | 1,200,000,000 | 1,100,000,000 |
| House Action on Advance Funding | --- | (1,100,000,000) | --- | 1,100,000,000 |

¹ Of the amount appropriated for FY 95, it was requested that \$745,000,000 be made available in the period October 1, 1995 through September 30, 1996, with the balance of \$730,000,000 available October 1, 1994 through September 30, 1995. Congress did not approve this request.

² In addition to the \$300,000,000 in emergency contingency funds made in FY 96 for FY 97, Congress added the balance of FY 96 funds (\$120,000,000) neither formally appropriated nor obligated in FY 96.

³ \$5,000,000 released to North and South Dakota January 15, 1997; the balance released to all states January 31, with special relief for eight mid-west states hardest hit by particularly cold weather.

⁴ Because of extreme and life-threatening hot weather, \$150,000,000 was released during the summer of 1998 to: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas. In addition, \$10,000,000 was released to Alaska to buy fuel oil for the coming winter for villages facing high heating costs that were difficult to meet due to the disastrously low salmon run.

| | <u>Budget Estimate to Congress</u> | <u>House Allowance</u> | <u>Senate Allowance</u> | <u>Appropriation</u> |
|---|--|----------------------------|-----------------------------|---|
| Emergency Funding ⁵ | [300,000,000] | [300,000,000] | [300,000,000] | [300,000,000] |
| Reallocation of PY Funds | --- | --- | --- | 2,207,431 |
| Emergency Funds Disbursed | --- | --- | --- | 175,298,765 ⁶ |
| 2000 | | | | |
| Emergency Sup. Emergency Funds Disbursed | --- | --- | --- | 600,000,000 744,350,000 ⁷ |
| 2001 – Appropriated in FY 00 for obligation in FY 01 | 1,100,000,000 | 1,100,000,000 | 1,100,000,000 | 1,100,000,000 |
| Regular Appro. | --- | --- | --- | 300,000,000 |
| Emergency Funding | [300,000,000] | [300,000,000] | [300,000,000] | [300,000,000] |
| Emergency Suppl. Emergency Funds Disbursed | --- | 300,000,000 | 300,000,000 | 300,000,000 455,650,000 ⁸ |
| 2002 | 1,100,000,000 | 1,100,000,000 | --- | --- |
| Emergency Funding | [300,000,000] | [300,000,000] | [300,000,000] | [300,000,000] |
| Emergency Sup. Carryover from FY 01 Emergency Funds Disbursed | --- | --- | --- | [300,000,000] 100,000,000 |
| 2003 | 1,400,000,000 | | | |
| Emergency Funding | [300,000,000] | | | |
| Emergency Sup. Carryover from FY 01 Emergency Sup. Funds Disbursed Emergency Funds Disbursed | --- | --- | --- | [300,000,000] 200,000,000 --- |

⁵ Advance Funding requested in FY 99 for FY 00.

⁶ Due to excessively hot weather during late June and early July of 1999, \$100 million was released to 17 eastern states and the District of Columbia, including 15 Indian tribes. In August, an additional \$55 million was released to 9 additional states that had experienced extreme heat. In September, \$29,298,765 was released to North Carolina to assist with energy-related flood damage.

⁷ In October 1999, \$5,000,000 was released to New Jersey to assist with energy-related damage due to Hurricane Floyd. In January 2000, \$45,000,000 was released to 11 States who depend heavily on heating oil and liquid petroleum, whose costs were higher than the previous year's. By the end of the fiscal year, \$744,350,000 had been released to offset the increasing costs of fuel.

⁸ The emergency supplemental for FY 2001 was available until expended. A balance of \$155,650,000 was carried over into FY 2001 and that amount, together with the \$300,000,000 in new budget authority for emergency contingencies, had been obligated by the end of December 2000 to offset continuing increases in fuel prices and an unusually cold November and December.

| | <u>Budget Estimate to Congress</u> | <u>House Allowance</u> | <u>Senate Allowance</u> | <u>Appropriation</u> |
|--|---|-----------------------------------|------------------------------------|-----------------------------|
| 2004 | 1,700,000,000 | | | |
| Emergency Funding | [300,000,000] | | | |
| Emergency Sup. Carryover from FY 01 | --- | --- | --- | [100,000,000] |
| Emergency Funds Disbursed | --- | --- | --- | --- |

Low Income Home Energy Assistance Program

Justification

| | 2002 Enacted | 2003 President's Budget | 2004 Estimate | Increase or Decrease |
|-----------------------------------|-------------------------|--|--------------------------|-------------------------------------|
| Program Grants | \$1,672,200,000 | \$1,372,200,000 | \$1,672,200,000 | \$0 |
| Leveraging Grants | 27,500,000 | 27,500,000 | 27,500,000 | 0 |
| Subtotal | 1,699,700,000 | 1,399,700,000 | 1,699,700,000 | 0 |
| Contingency Fund | 300,000,000 | 300,000,000 | 300,000,000 | 0 |
| Training and Technical Assistance | 300,000 | 300,000 | 300,000 | 0 |
| Contingency Funds Released | [100,000,000] | [200,000,000] | NA | NA |
| Total, BA | \$2,000,000,000 | \$1,700,000,000 | \$2,000,000,000 | 0 |

General Statement

Consistent with the Administration for Children and Families' strategic goal to build healthy, safe and supportive communities and tribes, the Low Income Home Energy Assistance Program (LIHEAP) provides assistance to low income households in meeting the costs of home energy heating and cooling their homes.

Approximately 24 percent of LIHEAP recipients are "working poor" households that do not receive any other public assistance through TANF, food stamps, SSI, or subsidized housing. Approximately 35 percent of LIHEAP recipients are elderly households. LIHEAP funds are not intended to meet the entire home energy costs of low-income households. Rather, LIHEAP funds are intended to supplement other available Federal assistance as well as the households' own resources and State resources.

Legislation enacted in 1994 made it easier for States to use LIHEAP funds more effectively to target assistance to households with high energy burdens or need and authorized States to use a portion of their funds to assist households in reducing their need for home energy. Through a collaborative process to develop performance objectives and measures, States increasingly are targeting resources more effectively.

A leveraging incentive fund has been successful in encouraging States to develop increased non-Federal energy assistance resources to be used in conjunction with LIHEAP funds. Beginning in FY 1996, a new Residential Energy Assistance Challenge Grant program (REACH) became a component of the leveraging incentive fund. It assists a limited number of LIHEAP grantees in developing and operating programs to help LIHEAP-eligible households reduce their energy vulnerability.

The COATS Human Services Reauthorization Act of 1998 (Public Law 105-285) reauthorized this program for FY 2000 through FY 2004, at a level of “such sums” for FY 2000 and FY 2001, and at \$2 billion for FY 2002 through FY 2004. This legislation increased the allowable set-aside for training and technical assistance from \$250,000 to \$300,000, extended on a permanent basis the authority to set aside up to 25 percent of the funds earmarked for leveraging incentive award program, and directed the Comptroller General to conduct an evaluation of the REACH program.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

Authorizing Legislation – Section 2602(b) of the Low Income Home Energy Assistance Act of 1981, as amended, P.L.97-35.

| 2002 Enacted | 2003 President's Budget | 2004 Estimate | Increase or Decrease |
|-------------------------|--|--------------------------|-------------------------------------|
| \$1,700,000,000 | \$1,400,000,000 | \$1,700,000,000 | +\$300,000,000 |

2004 Authorization....\$2,000,000,000.

Purpose and Method of Operation

The Low Income Home Energy Assistance Program provides home energy assistance to low-income households through payments to eligible households and to energy suppliers. Funds are provided through block grants 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.

The statute allows States to make payments to, or on behalf of, eligible households meeting one of the following criteria:

- Receipt of assistance under Title IV-A of the Social Security Act, Supplemental Security Income payments, Food Stamps, or certain needs-based veterans benefits; or
- Household total income does not exceed the higher of 150 percent of the poverty level or 60 percent of the State median income level. States may establish lower income eligibility criteria, but they may not exclude households with incomes below 110 percent of the poverty level solely on the basis of income.

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. A grantee may hold up to ten percent of the funds payable to it for obligation in the subsequent year.

Beginning in FY 1992, a portion of the appropriation may be made available to reward those grantees that leverage their Federal LIHEAP dollars so that they cover more services or benefits.

Funding for the Low Income Home Energy Assistance Program during the last five years, exclusive of contingency funds, has been as follows:

| | |
|---|-----------------|
| 1999 (advance appropriation in FY 1998) | \$1,000,000,000 |
| 2000 (advance appropriation in FY 1999) | \$1,100,000,000 |
| 2001 (advance appropriation in FY 2000) | \$1,100,000,000 |
| 2001 (regular appropriation) | \$300,000,000 |
| 2002 (regular appropriation) | \$1,700,000,000 |
| 2003 (regular appropriation) | \$1,400,000,000 |

Rationale for the Budget Request

In order to continue to provide home energy assistance, \$1,700,000,000 is requested for FY 2004, an increase of \$300,000,000 over the FY 2003 President’s Budget. This increase will enable states to meet energy emergencies due to extremes in temperature, either during severe cold weather in the winter or sustained heat waves in the summer. This request will help enable states to meet the increasing demands for LIHEAP assistance, ensure that low income households are not without heating or cooling, and provide protection to our most vulnerable populations, the elderly, households with small children and persons with disabilities.

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

FY 2004 MANDATORY STATE/FORMULA GRANTS

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

| STATE/TERRITORY | FY 2002 Actual | FY 2003 Pres. Budget | FY 2004 Estimate | Difference +/- 2003 |
|------------------------|---------------------------|---------------------------------|-----------------------------|--------------------------------|
| Alabama | \$14,284,628 | \$11,719,518 | \$14,281,721 | \$2,562,203 |
| Alaska | 6,373,367 | 6,454,070 | 7,865,105 | 1,411,035 |
| Arizona | 6,378,521 | 5,236,542 | 6,381,392 | 1,144,850 |
| Arkansas | 10,959,034 | 8,992,936 | 10,959,034 | 1,966,098 |
| California | 76,505,203 | 62,771,378 | 76,494,897 | 13,723,519 |
| Colorado | 26,839,585 | 22,019,960 | 26,839,584 | 4,819,624 |
| Connecticut | 35,045,798 | 28,758,429 | 35,045,798 | 6,287,369 |
| Delaware | 4,651,655 | 3,817,128 | 4,651,655 | 834,527 |
| District of Columbia | 5,442,670 | 4,466,231 | 5,442,670 | 976,439 |
| Florida | 22,716,478 | 18,643,487 | 22,719,457 | 4,075,970 |
| Georgia | 17,967,820 | 14,744,314 | 17,967,820 | 3,223,506 |
| Hawaii | 1,809,458 | 1,484,834 | 1,809,458 | 324,624 |
| Idaho | 10,307,123 | 8,457,980 | 10,307,123 | 1,849,143 |
| Illinois | 97,000,718 | 79,598,364 | 97,000,718 | 17,402,354 |
| Indiana | 43,909,300 | 36,033,239 | 43,912,536 | 7,879,297 |
| Iowa | 31,126,126 | 25,541,963 | 31,126,126 | 5,584,163 |
| Kansas | 14,282,663 | 11,718,165 | 14,282,663 | 2,564,498 |
| Kentucky | 22,855,403 | 18,755,044 | 22,855,403 | 4,100,359 |
| Louisiana | 14,683,141 | 12,048,921 | 14,683,141 | 2,634,220 |
| Maine | 21,874,256 | 17,949,919 | 21,874,256 | 3,924,337 |
| Maryland | 26,834,125 | 22,019,965 | 26,834,125 | 4,814,160 |
| Massachusetts | 70,075,161 | 57,503,370 | 70,075,161 | 12,571,791 |
| Michigan | 91,680,099 | 75,223,552 | 91,669,453 | 16,445,901 |
| Minnesota | 66,348,286 | 54,445,113 | 66,348,286 | 11,903,173 |
| Mississippi | 12,292,778 | 10,087,400 | 12,292,778 | 2,205,378 |
| Missouri | 38,745,874 | 31,794,695 | 38,745,874 | 6,951,179 |
| Montana | 10,430,204 | 8,558,981 | 10,430,204 | 1,871,223 |
| Nebraska | 15,389,463 | 12,627,881 | 15,389,463 | 2,761,582 |
| Nevada | 3,262,202 | 2,676,949 | 3,262,202 | 585,253 |
| New Hampshire | 13,269,106 | 10,888,570 | 13,269,106 | 2,380,536 |
| New Jersey | 64,917,211 | 53,270,779 | 64,917,211 | 11,646,432 |
| New Mexico | 8,043,979 | 6,600,853 | 8,043,979 | 1,443,126 |
| New York | 212,125,965 | 174,069,875 | 212,172,245 | 38,102,370 |
| North Carolina | 31,159,322 | 25,569,204 | 31,159,322 | 5,590,118 |
| North Dakota | 10,921,884 | 8,838,640 | 10,771,006 | 1,932,366 |

| STATE/TERRITORY | FY 2002 Actual | FY 2003 Pres. Budget | FY 2004 Estimate | Difference +/- 2003 |
|---------------------------------|---------------------------|---------------------------------|-----------------------------|--------------------------------|
| Ohio | 85,811,633 | 70,416,650 | 85,811,633 | 15,394,983 |
| Oklahoma | 11,998,086 | 9,917,026 | 12,088,607 | 2,171,581 |
| Oregon | 20,712,188 | 16,954,176 | 20,663,440 | 3,709,264 |
| Pennsylvania | 114,141,586 | 93,664,086 | 114,141,586 | 20,477,500 |
| Rhode Island | 11,506,691 | 9,442,339 | 11,506,691 | 2,064,352 |
| South Carolina | 11,406,510 | 9,360,132 | 11,406,510 | 2,046,378 |
| South Dakota | 8,916,026 | 7,316,453 | 8,916,026 | 1,599,573 |
| Tennessee | 23,152,034 | 18,998,458 | 23,152,034 | 4,153,576 |
| Texas | 37,807,287 | 31,024,494 | 37,807,287 | 6,782,793 |
| Utah | 12,241,787 | 10,032,234 | 12,251,787 | 2,219,553 |
| Vermont | 9,945,667 | 8,161,371 | 9,945,667 | 1,784,296 |
| Virginia | 32,686,964 | 26,822,780 | 32,686,964 | 5,864,184 |
| Washington | 32,886,631 | 26,963,492 | 32,858,445 | 5,894,953 |
| West Virginia | 15,125,156 | 12,411,637 | 15,125,156 | 2,713,519 |
| Wisconsin | 59,722,984 | 49,008,419 | 59,722,984 | 10,714,565 |
| Wyoming | 4,998,337 | 4,041,726 | 4,925,361 | 883,635 |
| Subtotal | 1,653,568,173 | 1,357,923,722 | 1,654,891,150 | 296,967,428 |
| Tribes | 16,367,200 | 12,417,935 | 15,044,223 | 2,626,288 |
| American Samoa | 37,463 | 30,741 | 37,463 | 6,722 |
| Guam | 82,135 | 67,399 | 82,135 | 14,736 |
| Northern Mariana Islands | 28,528 | 23,409 | 28,528 | 5,119 |
| Puerto Rico | 2,038,833 | 1,673,062 | 2,038,833 | 365,771 |
| Virgin Islands | 77,668 | 63,732 | 77,668 | 13,936 |
| Subtotal | 18,631,827 | 14,276,278 | 17,308,850 | 3,032,572 |
| Total States/Territories | 1,672,200,000 | 1,372,200,000 | 1,672,200,000 | 300,000,000 |
| Discretionary Funds | 27,500,000 | 27,500,000 | 27,500,000 | 0 |
| Technical Assistance | 300,000 | 300,000 | 300,000 | 0 |
| Subtotal adjustments | 27,800,000 | 27,800,000 | 27,800,000 | 0 |
| TOTAL RESOURCES | \$1,700,000,000 | \$1,400,000,000 | \$1,700,000,000 | \$0 |

LOW INCOME HOME ENERGY ASSISTANCE CONTINGENCY FUND

Authorizing Legislation -- Section 2602(e) and 2604(g) of the Low Income Home Energy Assistance Act of 1981, as amended.

| | 2002 Enacted | 2003 President's Budget | 2004 Estimate | Increase or Decrease |
|-----------------------------|------------------------------|--|------------------------------|-------------------------------------|
| Appropriation | \$300,000,000 | \$300,000,000 | \$300,000,000 | \$0 |
| Contingency Funds Released | 100,000,000 | 200,000,000 | NA | NA |
| Contingency Funds Available | [\$300,000,000] ¹ | [\$100,000,000] ¹ | [\$100,000,000] ¹ | \$0 |

2004 Authorization...\$600,000,000.

Purpose and Method of Operation

Consistent with the ACF goal to target energy assistance, this program is designed to provide additional funds to States that are adversely affected by extreme heat or cold, or other causes of energy-related emergencies. The 1994 amendments to the authorizing statute added language to provide a permanent authorization for the emergency fund and to permit targeting of grants to meet emergency needs. In FY 1995 through FY 2002, contingency funds have been requested, and at least a portion has been released each year.

Funding for the Low Income Home Energy Assistance Contingency Fund during the last five years has been as follows:

| | |
|--|------------------------------|
| 1999 | (\$300,000,000) |
| 1999 funds distributed | \$175,298,765 |
| 2000 | (\$900,000,000) |
| 2000 funds distributed | \$744,350,000 |
| 2001 | (\$755,650,000) ² |
| 2001 funds distributed | \$455,650,000 |
| 2002 | (\$300,000,000) |
| 2002 funds available to be distributed | (\$500,000,000) |
| 2002 funds distributed | \$100,000,000 |
| 2003 | (\$300,000,000) |
| 2003 funds available to be distributed | (\$400,000,000) |
| 2003 funds distributed | \$200,000,000 |

¹ \$300,000,000 was made available in a supplemental in FY 2001, to remain available until expended. \$200M was released in January, 2003 due to higher than normal energy prices, especially home heating oil.

² Of this amount, \$300,000,000 was made available in a supplemental, to remain available until expended. A balance of \$155,650,000 was carried over into FY 2001.

Rationale for the Budget Request

The FY 2004 request for the Contingency Fund is \$300,000,000, the same as the FY 2003 President's Budget. In addition, of the \$300,000,000 appropriated in a supplemental in FY 2001, \$100,000,000 remains available for use in FY 2003. Because it is not possible to predict natural disasters of areas of the country which might sustain periods of unusual heat or cold, \$300,000,000 is requested for contingencies. Any unexpended contingency funds in FY 2003 will remain available in FY 2004.

Resource and Program Data
Low Income Home Energy Assistance Program

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|---|----------------------------|-------------------------------|------------------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | \$1,672,200,000 | \$1,372,200,000 | \$1,672,200,000 |
| Leveraging | 20,625,000 | 20,625,000 | 20,625,000 |
| REACH | 6,875,000 | 6,875,000 | 6,875,000 |
| Contingency Funds | [300,000,000] | 300,000,000 | 300,000,000 |
| Contingency Funds Released | 100,000,000 | [200,000,000] | NA |
| Contingency Funds Available from Prior Years | [300,000,000] ¹ | [100,000,000] | [100,000,000] |
| Research/Evaluation | | | |
| Demonstration/Development | | | |
| Training/Technical Assistance | 215,594 | 288,000 | 288,000 |
| Program Support ² | 84,406 | 12,000 | 12,000 |
| Total, Resources | \$1,800,000,000 | \$1,700,000,000 | \$2,000,000,000 |
| <u>Program Data:</u> | | | |
| Number of Grants | 361 | 281 | 281 |
| New Starts: | | | |
| # | 350 | 270 | 270 |
| \$ | \$1,799,435,171 | \$1,399,435,171 ³ | \$1,399,435,171 ³ |
| Continuations: | | | |
| # | 11 | 11 | 11 |
| \$ | \$264,829 | \$264,829 | \$264,829 |
| Contracts: | | | |
| # | 4 | 3 | 3 |
| \$ | \$220,534 | \$225,000 | \$225,000 |
| Interagency Agreements: | | | |
| # | 3 | 2 | 2 |
| \$ | \$68,155 | \$63,000 | \$63,000 |

¹ \$300,000,000 was made available in a supplemental in FY 2001, to remain available until expended. \$200M was released in January, 2003 due to higher than normal energy prices, especially home heating oil.

² This includes funding for information technology support, grant/panel review and printing costs.

³ Does not reflect 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 2004 DISCRETIONARY STATE/FORMULA GRANTS

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

| STATE/TERRITORY | FY 2002 Actual | FY 2003 Pres. Budget | FY 2004 Estimate | Difference +/- 2003 |
|------------------------|---------------------------|---------------------------------|-----------------------------|--------------------------------|
| Alabama | \$0 | \$1,085,372 | n/a | n/a |
| Alaska | 0 | 1,299,683 | n/a | n/a |
| Arizona | 1,673,521 | 462,357 | n/a | n/a |
| Arkansas | 0 | 793,720 | n/a | n/a |
| California | 0 | 5,548,701 | n/a | n/a |
| Colorado | 1,994,730 | 1,948,680 | n/a | n/a |
| Connecticut | 1,604,928 | 6,908,830 | n/a | n/a |
| Delaware | 353,989 | 867,954 | n/a | n/a |
| District of Columbia | 299,513 | 537,929 | n/a | n/a |
| Florida | 0 | 1,942,341 | n/a | n/a |
| Georgia | 0 | 1,396,842 | n/a | n/a |
| Hawaii | 0 | 130,604 | n/a | n/a |
| Idaho | 878,039 | 985,043 | n/a | n/a |
| Illinois | 8,173,095 | 7,487,253 | n/a | n/a |
| Indiana | 3,711,662 | 3,960,848 | n/a | n/a |
| Iowa | 1,118,669 | 2,742,905 | n/a | n/a |
| Kansas | 1,008,515 | 1,037,998 | n/a | n/a |
| Kentucky | 3,196,722 | 2,011,539 | n/a | n/a |
| Louisiana | 0 | 1,071,167 | n/a | n/a |
| Maine | 0 | 5,567,518 | n/a | n/a |
| Maryland | 1,579,579 | 3,808,774 | n/a | n/a |
| Massachusetts | 4,195,456 | 12,272,222 | n/a | n/a |
| Michigan | 7,694,005 | 8,362,344 | n/a | n/a |
| Minnesota | 2,257,327 | 7,626,531 | n/a | n/a |
| Mississippi | 0 | 901,208 | n/a | n/a |
| Missouri | 2,308,716 | 2,957,449 | n/a | n/a |
| Montana | 498,675 | 870,335 | n/a | n/a |
| Nebraska | 1,400,140 | 1,230,905 | n/a | n/a |
| Nevada | 1,312,645 | 263,451 | n/a | n/a |
| New Hampshire | 0 | 2,951,570 | n/a | n/a |
| New Jersey | 4,786,974 | 10,330,192 | n/a | n/a |
| New Mexico | 0 | 583,707 | n/a | n/a |
| New York | 15,825,801 | 36,711,213 | n/a | n/a |
| North Carolina | 4,019,313 | 4,651,264 | n/a | n/a |
| North Dakota | 385,013 | 1,270,000 | n/a | n/a |

| STATE/TERRITORY | FY 2002 Actual | FY 2003 Pres. Budget | FY 2004 Estimate | Difference +/- 2003 |
|---------------------------------|---------------------------|----------------------------------|-----------------------------|--------------------------------|
| Ohio | 8,732,990 | 7,797,095 | n/a | n/a |
| Oklahoma | 0 | 871,518 | n/a | n/a |
| Oregon | 1,628,266 | 2,021,690 | n/a | n/a |
| Pennsylvania | 7,244,772 | 16,469,576 | n/a | n/a |
| Rhode Island | 786,593 | 2,046,693 | n/a | n/a |
| South Carolina | 1,940,719 | 1,367,982 | n/a | n/a |
| South Dakota | 460,584 | 989,821 | n/a | n/a |
| Tennessee | 0 | 2,007,525 | n/a | n/a |
| Texas | 0 | 2,735,094 | n/a | n/a |
| Utah | 935,694 | 942,294 | n/a | n/a |
| Vermont | 0 | 2,128,885 | n/a | n/a |
| Virginia | 3,139,645 | 4,653,087 | n/a | n/a |
| Washington | 0 | 3,060,200 | n/a | n/a |
| West Virginia | 1,210,876 | 1,429,584 | n/a | n/a |
| Wisconsin | 2,702,967 | 6,661,621 | n/a | n/a |
| Wyoming | 327,359 | 360,809 | n/a | n/a |
| Subtotal | 99,387,492 | 198,121,923 | 0 | 0 |
| Tribes | 612,508 | 1,715,563 | n/a | n/a |
| American Samoa | 0 | 2,688 | | |
| Guam | 0 | 5,894 | | |
| Northern Marianas | 0 | 2,047 | | |
| Puerto Rico | 0 | 146,311 | | |
| Virgin Islands | 0 | 5,574 | | |
| Subtotal | 612,508 | 1,878,077 | 0 | 0 |
| Total States/Territories | 100,000,000 | 200,000,000 | 0 | 0 |
| TOTAL RESOURCES | \$100,000,000 | \$200,000,000¹ | \$300,000,000 | |

¹ \$300,000,000 was made available in a supplemental in FY 2001, to remain available until expended. \$200M was released in January, 2003 due to higher than normal energy prices, especially home heating oil. \$100M remains available in FY 2004 if not released in FY 2003.