



At Issue: The Low Income Home Energy Assistance Program (LIHEAP)

Florida's LIHEAP Funding Jumps +55% if Congress Follows Enabling Law

- **LIHEAP needs at least \$3.39 billion in FY16. Between FY09 and FY15, LIHEAP's appropriation has fallen 35% - from \$5.1 to \$3.39 billion – despite growing need for the program.**
- **If LIHEAP's enabling law is followed, Florida and other affected states would receive their fair share of funding. The US Congressional Research Service (CRS) reports Florida gains \$38.5 million (+55%) if Congress were to just follow LIHEAP's enabling law, even if it level-funds the program in FY16.**

Background

LIHEAP isn't an entitlement. If a household is approved by a Florida agency to receive assistance, the resulting credit to an energy provider can cover part of an approved household's heating or cooling costs. Households must apply and be verified as eligible to meet program criteria. Florida prioritizes households with elderly, handicapped, preschoolers and high energy burdens.

How LIHEAP's Enabling Law is Supposed to Work

LIHEAP's enabling law requires funds **under** \$1.975 billion be disbursed through the program's "old" formula, which favors cold weather states. Funds **over** \$1.975 billion are to flow through LIHEAP's "new" formula, which improves benefits to warm-weather and growth states.

The Problem

LIHEAP's "new" formula has been unfairly overridden within annual 'Labor/ HHS' and continuing appropriations bills. This wording shunts almost \$1 billion from LIHEAP's "new" formula to its "old" one without explanation. **This takes millions of dollars away from thousands of at-risk Floridians.**

FY16's SENATE REPORT LANGUAGE OFFERS A STEP IN THE RIGHT DIRECTION

Given the Senate's recognition of the LIHEAP formula diversion issue, the following language now accompanies its FY16 Labor/HHS Appropriations bill: *"Since FY 2009 appropriations language has modified the statutory formula for allocating funds to States. As a result, the vast majority of funding is allocated based on historical allocation levels, and a much smaller amount based on dynamic factors such as the number of low income households and home heating and cooling costs by State. The Committee directs the Secretary to submit a report within 90 days of enactment of this act on the average home heating and cooling costs of low-income households by State and the average LIHEAP assistance payment by State."*

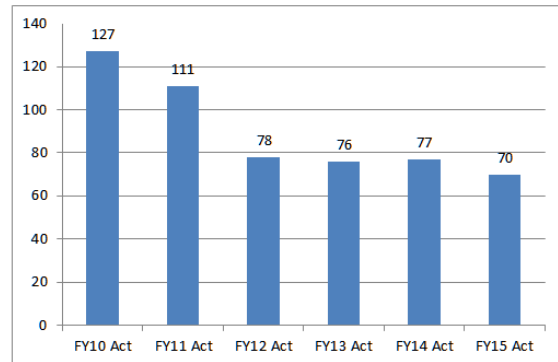
Further, HHS should include in future budget justifications estimated State allocations as proposed in the budget request, and, if different, based on the underlying statutory formula, home heating and cooling costs of low-income households by State and the average LIHEAP assistance payment by State."

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The Congressional Research Service's 6/25/15 estimate confirms Florida gains an additional \$38.5 million in LIHEAP funding, a 55% gain, if appropriators follow LIHEAP's enabling law, even if funded at \$3.39 billion in FY16!

For FY15, Florida received \$70.6 million, down from Florida's FY10 peak of \$127 million – a 45% decrease. **Florida could again be short-changed in FY16**, unless Appropriators remedy this long-smoldering fair share issue, or boost overall funding.

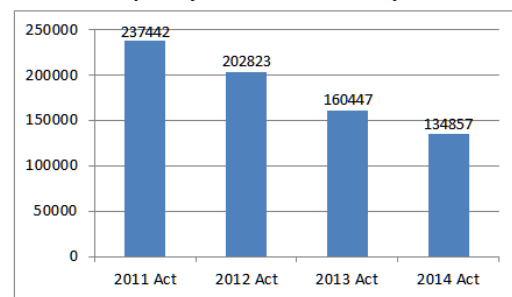
Florida's LIHEAP Receipts
(in millions)



The Need for LIHEAP is Growing

- More than 2 million Florida households qualified for LIHEAP last year, yet only 7% of these eligible households actually received assistance! Nationally, 20% of eligible households received assistance. Florida's ability to serve less than the US average is directly attributable to diversion of its needed share of LIHEAP's "new" formula funds.
- In 2013, the national poverty rate was 14.5% and 45.3 million Americans lived in poverty, these numbers are unchanged for their all-time highs.³
- Florida's poverty rate climbed from 12.1% in 2007 to 17.1% in 2012, and was 17% in 2013.³

Florida's LIHEAP Households Served
(unduplicated in thousands)



LIHEAP Prioritizes Vulnerable Households

- Florida's priority demographics for LIHEAP are those who are at especially high risk from **hot weather, which takes more lives than all other kinds of severe weather combined**. With warm-weather averages reaching an all-time high in July 2015, Florida's need for LIHEAP is more critical than ever.¹
- Nationally, state LIHEAP administrators report that nearly 90% of LIHEAP recipient households had at least one vulnerable person – a senior age 60 or older, a child under 18, or someone with a disability.²

Dangers of Extreme Heat and Other Mitigating Factors Need to be Considered

LIHEAP's enabling law calibrates for the dangers of extreme heat and cold, energy costs and current poverty demographics. We urge appropriators to trust enabling law to do its job.^{1,3}

Learn More about LIHEAP in Florida - <http://www.floridajobs.org/job-seekers-community-services/community-services/lowincome-home-energy-assistance-program>

Learn More about FPL's Payment Assistance Programs - <http://www.fpl.com/help>

1 – NOAA – July hottest month on record - <http://www.cnn.com/2015/08/20/us/noaa-global-climate-analysis/>

2 - "2011 NEADA Survey Summary Report" http://neada.org/wp-content/uploads/2013/05/FINAL_NEADA_2011_Summary_Report1.pdf

3 - <http://www.statista.com/statistics/205451/poverty-rate-in-florida/>