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How the Low Income Home Energy Assistance Program (LIHEAP) Can Help Vulnerable Consumers After a Natural Disaster

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The federal <u>Low Income Home Energy Assistance Program (LIHEAP)</u>¹ helps low-income households pay for home heating bills in the winter and cooling bills in the summer. LIHEAP also helps eligible households resolve energy crises, for example, by fixing a broken furnace or making an emergency payment to avert an imminent disconnection during frigid winters or sweltering summers.²

After the physical and financial disruption from a natural disaster, families on the margin may find that they now qualify for LIHEAP assistance due to loss of work along with the financial impact of recovery activities.³ This NCLC Issue Brief explains how consumer advocates can use the LIHEAP program as a resource in helping families recover after a natural disaster.

Congress has provided a little over \$3 billion in LIHEAP funding to states, Tribes and territories each year for the past five years. The LIHEAP appropriations can vary from spending year to spending year and each year states prepare a LIHEAP plan that includes eligibility criteria as well as benefit amounts. The state plans also set out how much of their LIHEAP grant will go to bill payment assistance for heating/cooling, emergency crisis assistance, low-cost weatherization and other much smaller aspects of the program. States have a lot of latitude in how they structure their annual plans and states have the ability to modify their plans in response to a crisis. Below are tips for how LIHEAP can help consumers after natural disaster strikes.

LIHEAP helps low-income consumers afford their home energy bills: States are the grantees of the federal LIHEAP funds, but they often contract with Community Action Agencies to handle applications. To find out how to apply for LIHEAP or to learn more about your state's LIHEAP program, contact your <u>state LIHEAP grantee</u>. The LIHEAP Clearinghouse <u>website</u> also contains helpful information about other utility assistance programs in each state.

LIHEAP funds cooling and warming shelters/stations: As noted above, states have flexibility in how they use their LIHEAP grants. In crisis emergencies, states can also use LIHEAP funds to establish <u>cooling centers</u>, depending on the season. Heating centers are possible, too.

LIHEAP can help cover emergency home heating or cooling <u>crises</u> (e.g., equipment repair, disconnection, reconnection, deposits, blankets, fans).⁴ The LIHEAP Clearinghouse website contains a summary of how state LIHEAP plans <u>define crisis</u> as well as <u>state LIHEAP</u> <u>plans</u>.

¹ The LIHEAP authorizing statute is codified at 47 U.S.C. §§ 8621-8630.

 ² LIHEAP is discussed in greater detail for practitioners in Chapter 8 and Appendix C of Access to Utility Service (5th ed. 2011)
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³ Income eligibility varies from state to state and can be modified each year. In 2017, <u>24 states</u> set income eligibility above 150% of the federal poverty guidelines, with 9 of those states at or above 200% of the federal poverty guidelines.

⁴ 42 U.S.C. § 8623(c).

LIHEAP cannot be used for major home repairs.⁵ However, some states allow LIHEAP crisis funds to cover furnace or cooling system repair, and in some cases replacement. States can also use a portion of their LIHEAP funds for low-cost weatherization⁶ work to improve the energy efficiency of a home and thus reduce energy bills.

What Advocates Can Do to Make LIHEAP Funds Available to Respond to a Natural Disaster

Secure adequate funding: The primary annual advocacy task is to ensure Congress adequately funds LIHEAP each year in the Labor, Health, Human Services, Education annual appropriations bill. The LIHEAP authorizing statute also allows for Congress to appropriate emergency contingency⁷ LIHEAP funds that are in addition to the regular LIHEAP program.⁸ The LIHEAP emergency contingency fund is a dedicated source of funding that the President can request to be released to one or more states to address home energy needs arising from a natural disaster or other emergency. The last time Congress appropriated funds for the LIHEAP emergency contingency funds was in FY 2011. Given the increase in occurrence of severe natural disasters, it would make sense for Congress to once again provide LIHEAP emergency contingency funding in addition to adequate funding for the regular LIHEAP program.

Participate in the annual state LIHEAP plan development: Before disaster strikes, advocates should review the state LIHEAP plan which must be made available to the public in a manner that allows for review and comment.⁹ Advocates can find out how to review and comment on their state's LIHEAP plan by contacting their state's LIHEAP office. Section 4 of the Detailed Model Plan contains information on the LIHEAP crisis component.

Advocate for State amendments to the LIHEAP plan, if necessary: The LIHEAP program provides flexibility to the states in the administration of their LIHEAP grants. States can respond to natural disasters by quickly modifying the crisis component of the LIHEAP plan (e.g., by redirecting more funds for crisis assistance measures) and must notify the federal administrator¹⁰ of the LIHEAP program of any changes through a plan amendment as soon as possible.

For more information, contact National Consumer Law Center staff attorney, Olivia Wein, owein@nclc.org, (202) 452-6252.

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⁹ 42 U.S.C. § 8624(c).

⁵ 42 U.S.C. § 8628.

⁶ 42 U.S.C. § 8624(k). See also Section 5 in the state model LIHEAP plans.

⁷ 42 U.S.C. § 8621(e)(authorizes up to \$600 million for LIHEAP emergency contingency funds).

⁸ 42 U.S.C. § 8621(b)(authorizes up to \$5.1 billion for LIHEAP regular program funds).

¹⁰ U.S. Department of Health and Human Services, Administration for Children and Families, Office of Community Services, Division of Energy Assistance.