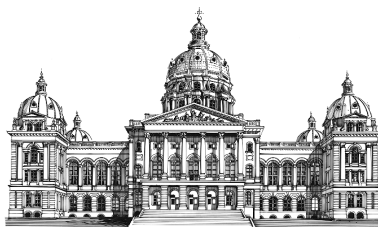

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Low-Income Home Energy Assistance Program (LIHEAP)

ISSUE

This *Issue Review* examines the Low-Income Energy Assistance Program (LIHEAP) and the release of emergency cooling assistance funds to the State of Iowa in early September of 1999.

AFFECTED AGENCIES

Division of Community Action Agencies,
Department of Human Rights

CODE AUTHORITY

Section 216A.101, Code of Iowa

BACKGROUND

The Low-Income Energy Assistance Program (LIHEAP) is a federal program designed to assist low-income families in meeting the cost of home heating and cooling. Applications are accepted on a first come/first served basis from November 1, 1999, through February 1, 2000.

To be eligible for assistance, the client's household income must fall within an income range (150.0% of federal poverty guidelines) and the client must provide proof of income for the past three months or for the last year. See **Attachment A**.

The Program is not designed to pay total energy costs, but instead to provide assistance in the payment of residential energy costs for eligible households. In most cases, benefits will be in the form of credit applied to the heating bill by the utility company. Subsidized housing with individual meters where the client is responsible for paying the primary heating costs is eligible. Subsidized housing on master meters is not eligible. In Iowa, renters in subsidized housing were eligible for the emergency cooling funds if they paid their own electric costs.

The following is the income range used in determining eligibility:

Size of Household	Household Income
1	\$12,360
2	16,590
3	20,820
4	25,050
5	29,280
6	33,510

*For family units with more than six members, add \$4,230 for each additional member

CURRENT SITUATION

Emergency LIHEAP cooling funds were released during July and August 1999 to 26 states. The total was approximately \$155.0 million. Community action agencies across the State of Iowa received applications for cooling assistance until August 31, 1999. Households that received LIHEAP heating assistance from last winter were not required to apply.

The cooling money was automatically applied to the electric accounts of qualified applicants. Payments were expected to be \$40 per household. The new applicants were treated on a first-come, first-served basis. Payments of \$350 could be applied to the purchase of air conditioners when the need was certified by a health professional. Assistance in installing the air conditioner units was provided where necessary.

BUDGET IMPACT

The total appropriation of federal emergency cooling funds to the State was \$3,498,425 that was distributed as follows:

- \$2,407,504 was allocated to 60,822 approved LIHEAP clients at approximately \$40 per household.
- \$349,764 was divided among the 18 community action agencies for the purchase of air conditioners, installation, and repair of cooling systems. The agencies were allowed to keep 10.0% of the grant for administrative purposes, which is the same policy used for the regular grant money.
- \$332,342 was divided among the 18 community action agencies for administration fees (10% of the original grant).
- \$175,000 was transferred to the Weatherization Assistance Program for the cooling crisis.
- \$133,815 for processing new applicants.
- \$100,000 to the Department of Elder Affairs for the operation of statewide cooling centers and for other assistance as required.

Distribution of the emergency cooling funds was decided by the State Community Action Agency with some assistance from federal guidelines.

Funds totaling \$349,764 for LIHEAP crisis intervention payments for emergency cooling were distributed as follows:

- \$14,805 - Community Opportunities, Inc.
- \$25,937 - Hawkeye Area Community Action Program
- \$29,098 - Iowa East Central T.R.A.I.N.
- \$10,131 - MATURA Action Corporation
- \$13,953 - Mid-Iowa Community Action, Inc.
- \$10,940 - Mid-Sioux Opportunity, Inc.
- \$27,521 - City of Des Moines/Community Development Department
- \$20,784 - North Iowa Community Action Organization
- \$20,143 - Northeast Iowa Community Action Corporation.
- \$17,463 - Operation: North View Community Action Agency
- \$22,892 - Operation: Threshold
- \$17,715 - Red Rock Area Community Action Program, Inc.
- \$11,487 - South Central Iowa Community Action Program, Inc.
- \$15,600 - Southeast Iowa Community Action Organization
- \$20,419 - Southern Iowa Economic Development Association
- \$28,095 - Upper Des Moines Opportunity, Inc.
- \$30,809 - West Central Development Corporation
- \$11,971 - Woodbury County Community Action Agency

The funds for air conditioners and fans were distributed to community action agencies via a formula based on population. See **Attachment B**. According to the Director of community action agencies, \$130,288 of the assistance money has been used thus far. The remaining money is to be reverted to the State LIHEAP program for redistribution next year.

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FY 2000 POVERTY GUIDELINES

ANNUAL

Size of

Family	50%	75%	80%	100%	110%	125%	150%
1	\$ 4,120.00	\$ 6,180.00	\$ 6,592.00	\$ 8,240.00	\$ 9,064.00	\$10,300.00	\$12,360.00
2	\$ 5,530.00	\$ 8,295.00	\$ 8,848.00	\$11,060.00	\$12,166.00	\$13,825.00	\$16,590.00
3	\$ 6,940.00	\$10,410.00	\$11,104.00	\$13,880.00	\$15,268.00	\$17,350.00	\$20,820.00
4	\$ 8,350.00	\$12,525.00	\$13,360.00	\$16,700.00	\$18,370.00	\$20,875.00	\$25,050.00
5	\$ 9,760.00	\$14,640.00	\$15,616.00	\$19,520.00	\$21,472.00	\$24,400.00	\$29,280.00
6	\$11,170.00	\$16,755.00	\$17,872.00	\$22,340.00	\$24,574.00	\$27,925.00	\$33,510.00
7	\$12,580.00	\$18,870.00	\$20,128.00	\$25,160.00	\$27,676.00	\$31,450.00	\$37,740.00
8	\$13,990.00	\$20,985.00	\$22,384.00	\$27,980.00	\$30,778.00	\$34,975.00	\$41,970.00

For each additional member add:

\$ 1,410.00	\$ 2,115.00	\$ 2,256.00	\$ 2,820.00	\$ 3,102.00	\$ 3,525.00	\$ 4,230.00
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3 MONTH

Size of
Family

	50%	75%	80%	100%	110%	125%	150%
1	\$1,030.00	\$1,545.00	\$1,648.00	\$2,060.00	\$2,266.00	\$2,575.00	\$ 3,090.00
2	\$1,382.50	\$2,073.75	\$2,212.00	\$2,765.00	\$3,041.50	\$3,456.25	\$ 4,147.50
3	\$1,735.00	\$2,602.50	\$2,776.00	\$3,470.00	\$3,817.00	\$4,337.50	\$ 5,205.00
4	\$2,087.50	\$3,131.25	\$3,340.00	\$4,175.00	\$4,592.50	\$5,218.75	\$ 6,262.50
5	\$2,440.00	\$3,660.00	\$3,904.00	\$4,880.00	\$5,368.00	\$6,100.00	\$ 7,320.00
6	\$2,792.50	\$4,188.75	\$4,468.00	\$5,585.00	\$6,143.50	\$6,981.25	\$ 8,377.50
7	\$3,145.00	\$4,717.50	\$5,032.00	\$6,290.00	\$6,919.00	\$7,862.50	\$ 9,435.00
8	\$3,497.50	\$5,246.25	\$5,596.00	\$6,995.00	\$7,694.50	\$8,743.75	\$10,492.50

For each additional member add:

\$ 352.50	\$ 528.75	\$ 564.00	\$ 705.00	\$ 775.50	\$ 881.25	\$ 1,057.50
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Community Action Agencies Regions by Dollar Amount

