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Public Hearing on the Low Income Home Energy Assistance Program (LIHEAP) Block Grant Allocation Plan for FFY 2022

August 20, 2021

Distinguished Chairpersons, Vice-Chairpersons, Ranking Members, and Members of the Appropriations, Human Services, and Energy & Technology Committees:

Thank you for holding this public hearing on the proposed Low Income Home Energy Assistance Program (LIHEAP) Block Grant Allocation Plan for FFY 2022. The Connecticut Association for Community Action (CAFCA) is the state association that works with Connecticut's Community Action Agencies (CAAs), the state and federal designated anti-poverty agencies serving over 200,000 low-income people in all 169 cities and towns across Connecticut.

The Community Action Agencies are proud partners with the Department of Social Services (DSS) and with other local agencies in the effort to raise awareness of and enroll people into the CT Energy Assistance Program (CEAP – CT's version of LIHEAP). Last year, CEAP helped over 72,000 families in the state who came to our doors or called our offices looking for assistance with their heating bills to avoid unnecessary energy crises.

CAAs stand ready to assist with application assistance this program year. Early intake for this program year began on August 2nd.

The Importance of CEAP

Connecticut residents pay the highest energy costs in the nation, and Connecticut households with incomes below 50% of the Federal Poverty Level pay 46% of their annual income simply for their home energy bills. Connecticut households with incomes from 50-100% of the Federal Poverty

¹ McCann, Adam, "Most & Least Energy-Expensive States", *WalletHub*, July 7, 2021, https://wallethub.com/edu/energy-costs-by-state/4833/

Level use 24% of their income for energy costs². This is what our poorest families are up against during the cold winter months.

These high costs put families in crisis mode and threaten their ability to pay for other essential basic needs. This forces them to choose between heating their homes and other necessary costs like food, child care, health care, and housing.

Energy insecurity – when a household lacks consistent access to enough of the kinds of energy needed for health and safety – can lead to poor health outcomes for children³. Dr. Deborah Frank, M.D., distinguished professor and pediatrician with the Boston University School of Medicine and the Boston Medicine Center, testified before Congress⁴ that when certain household costs cannot be avoided and their heating bill is due, many poor families facing energy crises dip into the only flexible part of their budget to bridge the gap: their food budget. She notes that families and doctors know children will freeze to death before they starve to death, and that this tradeoff jeopardizes children's current and future health and development by increasing a family's food insecurity. This is known to doctors and researchers as the "heat or eat" dilemma⁵. She further stated:

"These untenable choices wreak havoc on all our citizens, but particularly on the health of our youngest and most vulnerable children. Babies and toddlers ages 0 to 3...are also among the most physiologically vulnerable to cold stress. We know...there is a partially effective medicine to protect children in this current epidemic of energy insecurity. That medicine is called LIHEAP. LIHEAP is a child survival program. LIHEAP is a child health program. LIHEAP is nutrition program, and LIHEAP is a child development program."

While LIHEAP helps Connecticut's most vulnerable and at-risk households, including those with children, older adults and persons with disabilities, afford high home energy costs, it does so much more. At its core, it is a health and safety program that positively impacts overall health and wellness. In our Community Action Agencies, LIHEAP also serves as a gateway to other programs and services families may not have known they were eligible for, such as housing assistance, child care, or Supplemental Nutrition Assistance Program (SNAP) benefits. This effective, integrated service delivery approach provides families with the necessary short and long-term support they need to achieve and maintain economic stability.

²Colton, Fisher, Sheehan (2021). *Connecticut 2020 Home Energy Affordability Gap State Fact Sheet. (2021)*. Available from: http://www.homeenergyaffordabilitygap.com/03a affordabilityData.html

³ Bailey, Kathryn, et al. (2011). LIHEAP Stabilizes Family Housing and Protects Children's Health (Policy action brief). Available from: http://neada.org/wp-content/uploads/2013/02/childrens_healthenergy_brief_feb11.pdf
⁴ Climbing Cost of Heating Homes: Why LIHEAP is Essential: Hearing before the Senate Committee on Children

and Families, Senate, 110th Cong. (2009) (testimony of Dr. Deborah A. Frank)

⁵ Stephanie Ettinger de Cuba, John Cook, and Deborah A. Frank, *Fuel for our Future: Impacts of Energy Insecurity on Children's Health, Nutrition, and Learning*, Children's Sentential Nutrition Assessment Program (C-SNAP), 2007, available at:

http://www.centerforhungerfreecommunities.org/sites/default/files/pdfs/fuel_for_our_future_energy%20insecurity_Sept07.pdf

As you well know, programs like LIHEAP are critical investments in our communities. In addition to helping families with energy costs, this program funnels federal funds right back into our communities, when it pays for delivery of oil, wood pellets and other fuels, helping to keep small businesses thriving. In fact, 52% of Connecticut homeowners heat with oil.

The Impact of COVID-19

In Spring, 2020, when COVID-19 took hold, Community Action Agencies nimbly transitioned to providing services – including CEAP outreach and enrollment assistance – via telephone, mail, and drop-off.⁶ This allowed CAAs to continue to assist individuals and families in meeting needs, while keeping staff and customers safe.

Although the needs of our communities increased, many people were not leaving their homes; many outreach sites, such as Town Halls, were closed. In the 2019/2020 program year (which COVID hit partway through), our network processed 89,771 CEAP applications and provided 75,260 eligible households with energy assistance, representing a slight decrease both in applications received and approved from the prior year (4.6% and 7.6%, respectively). This past year (2020/2021), our network processed 88,455 applications, and provided 72,432 eligible households with energy assistance, again a slight decrease (1.5% and 3.8%, respectively).

CAFCA, the CAA Network, and DSS have remained in constant communication during these times to ensure that CAAs had the resources and information they needed to reach and serve customers during that time. Although there was a decrease in applications submitted and approved this past program year, this decrease would have been even more significant if not for this partnership between the CAAs and DSS. Based on feedback and requests from the CAA network, DSS provided flexibilities during the program year that streamlined the application process considerably, allowing more households to access this needed program.

Comments on the Current Proposal

CAFCA asks the Committees to support the current LIHEAP proposal for FFY 2022. This proposal provides needed assistance with heating and cooling for Connecticut residents. Moreover, it carries forward the lessons from the COVID pandemic, by incorporating many flexibilities that were initiated during the last program year, and which have proven valuable for Connecticut residents. Specifically, we provide comments on the following areas of the proposal:

<u>Program Dates:</u> CAFCA supports extending the date to apply for CEAP to May 31, 2022. CAAs will be available to continue taking in and processing applications. CAFCA also supports extending the last day to submit bills for deliverable fuel to June 15.

<u>Methods of Application:</u> CAAs, with DSS's support, have been flexible in taking in applications, particularly since the beginning of the pandemic, through a variety of methods. CAAs initiate applications via phone, through in-person appointments, and by receiving filled PDF applications, which are available on the DSS website (see Additional Suggestions, below). This plan allows for continuation of these methods, and acceptance of applications/supporting documents in person and via mail. We believe it also allows for continued use of secure drop boxes, which many CAAs have installed, to allow for contact-free submission of the CEAP application and supporting documents.

⁶ There was one exception: TEAM, Inc always remained open to in-person customers.

<u>Categorical eligibility:</u> CAFCA supports streamlining CEAP eligibility for those households with a member eligible for other means-tested programs, including SNAP, TANF, Refugee Assistance, and SSI. DSS already has verified income for these customers, and there is no need to duplicate these efforts.

<u>Assets test:</u> CAFCA strongly supports the elimination of the liquid assets test. Although some have expressed concern that some people have more money than their income demonstrates and would therefore be getting benefits they shouldn't receive, experience and data do not support that claim. Indeed, research⁷ demonstrates that the inclusion of a liquid assets test for energy assistance programs reduces program participation in a regressive manner, *hurting lowest income households the most*. Additionally, the test increases administrative costs and delays approval of applications. There is no practical downside to eliminating the assets test.

<u>Benefit Levels:</u> CAFCA supports the enhanced benefits levels contained in this year's proposal. The need is certainly there across our state for increased energy assistance.

<u>Electronic signatures:</u> CAFCA supports the continued use of electronic signatures, which was first allowed last year.

<u>Cooling assistance program:</u> In one of the hottest years on record in Connecticut, CAFCA supports the establishment of a cooling program, as a small piece to our CEAP plan. Excessive heat raises health concerns, impedes quality of life – and disproportionately impacts low-income people.

Additional Suggestions

CAFCA also proposes the following for consideration:

<u>Online application:</u> CAFCA appreciates the online fillable PDF application that DSS has developed (which, currently, consumers can print and bring with them to the CAA, or can email to the CAA). We continue to support the development of a true online application that consumers can access on their own if desired. This would not replace the hands-on assistance that CAAs provide; however, some consumers may find an online application useful, and having that availability would free up CAA staff time to assist those who need more help.

<u>Data sharing:</u> Additional opportunities for data sharing should be explored and seriously considered. For example, within DSS, many CEAP clients are on the HUSKY program; DSS already has income information for these individuals. Outside of DSS, we understand from prior communication that DSS cannot share data from the CT Department of Labor regarding Unemployment Insurance; having that option would streamline the application process for those claiming income from unemployment.

⁷ Graff, Michelle, and Pirog, Maureen. *Red tape is not so hot: Asset tests impact participation in the Low-Income Home Energy Assistance Program.* Energy Policy (June, 2019). https://www.sciencedirect.com/science/article/abs/pii/S0301421519301259

On behalf of Connecticut's Community Action Network, I would like to thank all of you, as well as Commissioner Gifford and her staff at the Department of Social Services, for your support of and advocacy for this critical program. For your information, I included a list of Community Action Agencies and their phone numbers so you can help your constituents access this program (see Table 1 on next page).

Table 1: Community Action Agencies & Phone Numbers for Energy Assistance

Agency	Area Covered	Energy Assistance #
Alliance for Community Empowerment (formerly ABCD)	Greater Bridgeport & Norwalk	(203) 384-6904
Access	Windham County	(860) 450-7400
	Tolland County	(860) 412-1600
CAANH	Greater New Haven	(203) 285-8018
CAAWC	Greater Danbury	(203) 748-5422
	Greater Stamford	(203) 357-0720
CRT	Hartford & Middlesex Counties	(860) 560-5800
HRA	Greater New Britain/Bristol	(860) 356-2000
NOI	Greater Waterbury	(203) 756-8151
	Greater Meriden	(203) 235-0278
TEAM	Lower Naugatuck Valley	(203) 736-5420
TVCCA	Southeastern CT	(860) 425-6681