

**State of Alaska  
FY2003 Governor's Operating Budget**

**Department of Health and Social Services  
Energy Assistance Program  
Component Budget Summary**

## **Component: Energy Assistance Program**

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### **Component Mission**

The mission of the Division of Public Assistance is to provide basic living expenses and self-sufficiency services to Alaskans in need.

### **Component Services Provided**

The Heating Assistance Program (HAP) is 100% federally funded through the Low Income Home Energy Assistance Program (LIHEAP) Block Grant. The program aids low-income households with their home heating expenses. Eligibility for heating assistance and benefit amounts are based on a point system which considers household size and income, fuel costs in the area and type of housing. Applicant households apply once a year to receive a single heating assistance grant. Assistance is normally provided in the form of credit with the client's home energy vendor.

### **Component Goals and Strategies**

REDUCE THE DISPROPORTIONATE BURDEN OF HOME HEATING COSTS ON THE POOR

- To prevent or remedy heating emergency situations in at least 8,000 Alaskan households.
- To prevent or remedy home heating emergency situations in at least 1,600 Alaskan households with elderly members.
- To prevent or remedy home heating emergency situations in at least 2,200 Alaskan households with children under age 6.

2) MINIMIZE THE ECONOMIC IMPACT OF CUSTOMER BAD DEBT ON ALASKA HOME ENERGY SUPPLIERS.

### **Key Component Issues for FY2002 – 2003**

In FY2000 and FY2001 the Heating Assistance Program (HAP), formerly called the Energy Assistance Program, received additional LIHEAP funds in response to high fuel oil prices. HAP regulation changes in FY2000 helped the program better target these program benefits to households with the lowest incomes and highest heating costs. In addition, the percent of households with members that are elderly, disabled or under age six increased.

In FY2001 the program's eligibility limits increased from 140% to 150% of the Alaska Poverty Level (\$26,532 annually for a family of three). This higher limit allows more working families and those on fixed incomes to qualify for help with their fuel bills.

The uncertainty of LIHEAP block grant funding causes difficulty in planning and administering the program. The funding allocation is frequently determined after the beginning of the federal fiscal year. This means the State must set income guidelines, set heating benefit levels, hire eligibility staff, and issue requests for proposals for low-income weatherization in the absence of a funding allocation. FY2003 funding is projected at the FY2002 level.

### **Major Component Accomplishments in 2001**

The program provided low-income households with seasonal help for home heating costs. Tribal organizations also receive federal LIHEAP block grant funds and administer heating assistance programs in several areas of Alaska. In FY2001, around \$9.0 million was provided to approximately 8,000 households under the Department of Health of Social Services' HAP.

Approximately 28 percent of HAP households contain one or more children under 6 years of age, 24 percent have at least one disabled member, and 20 percent contain at least one member over the age of 60. The primary sources of income for Alaska HAP households are: Alaska Temporary Assistance Program (18 percent), and Adult Public Assistance (24 percent). The remaining 58 percent of the HAP caseload relies on non-public assistance sources of income (e.g., wages, Social Security, Unemployment Insurance Benefits, and self-employment).

## Statutory and Regulatory Authority

PL 97-35  
L.I.H.E.A.P. Act of 1981  
7 AAC 44

**Energy Assistance Program**  
**Component Financial Summary**

*All dollars in thousands*

<b>Non-Formula Program:</b>	<b>FY2001 Actuals</b>	<b>FY2002 Authorized</b>	<b>FY2003 Governor</b>
<b>Component Expenditures:</b>			
71000 Personal Services	338.1	408.3	419.7
72000 Travel	3.4	13.5	13.5
73000 Contractual	159.7	140.0	140.0
74000 Supplies	6.5	12.0	12.0
75000 Equipment	9.3	19.0	19.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	10,795.7	11,407.2	11,407.2
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>11,312.7</b>	<b>12,000.0</b>	<b>12,011.4</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	11,312.7	12,000.0	12,011.4
<b>Funding Totals</b>	<b>11,312.7</b>	<b>12,000.0</b>	<b>12,011.4</b>

**Estimated Revenue Collections**

<b>Description</b>	<b>Master Revenue Account</b>	<b>FY2001 Actuals</b>	<b>FY2002 Authorized</b>	<b>FY2002 Cash Estimate</b>	<b>FY2003 Governor</b>	<b>FY2004 Forecast</b>
<b><u>Unrestricted Revenues</u></b>						
None.		0.0	0.0	0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b><u>Restricted Revenues</u></b>						
Federal Receipts	51010	11,312.7	12,000.0	12,000.0	12,011.4	12,011.4
<b>Restricted Total</b>		<b>11,312.7</b>	<b>12,000.0</b>	<b>12,000.0</b>	<b>12,011.4</b>	<b>12,011.4</b>
<b>Total Estimated Revenues</b>		<b>11,312.7</b>	<b>12,000.0</b>	<b>12,000.0</b>	<b>12,011.4</b>	<b>12,011.4</b>

**Energy Assistance Program**

**Proposed Changes in Levels of Service for FY2003**

No Change In Service Levels

**Summary of Component Budget Changes**

**From FY2002 Authorized to FY2003 Governor**

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2002 Authorized</b>	<b>0.0</b>	<b>12,000.0</b>	<b>0.0</b>	<b>12,000.0</b>
<b>Adjustments which will continue current level of service:</b>				
-Year 3 Labor Costs - Net Change from FY2002	0.0	11.4	0.0	11.4
<b>FY2003 Governor</b>	<b>0.0</b>	<b>12,011.4</b>	<b>0.0</b>	<b>12,011.4</b>

**Energy Assistance Program**

**Personal Services Information**

	Authorized Positions		Personal Services Costs	
	<u>FY2002</u> <u>Authorized</u>	<u>FY2003</u> <u>Governor</u>		
Full-time	3	3	Annual Salaries	299,995
Part-time	10	10	COLA	4,504
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	124,732
			<i>Less 2.22% Vacancy Factor</i>	(9,531)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>13</b>	<b>13</b>	<b>Total Personal Services</b>	<b>419,700</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	0	0	1	0	1
Administrative Clerk III	0	1	8	1	10
Administrative Supervisor	0	0	1	0	1
Prog Coordinator	0	0	1	0	1
<b>Totals</b>	<b>0</b>	<b>1</b>	<b>11</b>	<b>1</b>	<b>13</b>