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House bills would expand heating assistance in Pennsylvania

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Every year, Pennsylvania receives millions of dollars from the federal government to help residents pay their winter heating bills.

And every year, the state holds back a portion of those funds, as a carryover to the following year. State officials say that approach keeps the program running smoothly.

But a bill introduced in the Pennsylvania Legislature last month would require the state to spend all that money, each year.

“They get an appropriation every year, and it's quite frankly unconscionable not to spend all the money and not help as many people as possible,” said State Rep. Rob Matzie, a Beaver County Democrat and the main sponsor of the legislation.

Matzie, the ranking Democrat on the House Consumer Affairs Committee, has introduced a package of bills that would overhaul and expand [the Low Income Home Energy Assistance Program](#), commonly referred to as LIHEAP. The program, which helps people pay their heating bills, is federally funded but administered by the state.

All of Matzie's bills are currently in committee. At least one of the bills has a Republican co-sponsor and received bipartisan support in a committee vote. But the legislation's prospects in the Republican-dominated Legislature aren't clear — and once legislators have completed work on the state budget, they aren't expected to return to the Capitol until September.

Among other changes, the bills include provisions to:

- Require the state to spend all the LIHEAP money it receives from

the federal government every year. In recent years, the state has generally carried over between \$12 million and \$17 million from when the program wraps up in the spring until it opens again in the fall.

- Use \$500 million in American Rescue Plan funding to create a Retail Electric and Gas Customer Assistance Program, which would aid customers with accounts in arrears during the COVID-19 pandemic.
- Create a new, year-round LIHEAP program to assist with home cooling, in addition to heating, which would be funded by the current federal money plus a supplemental state appropriation. Matzie said 11 other states have year-round programs — and Pennsylvania is running a LIHEAP pilot cooling program this year, state officials said.

The legislation that would require the state to spend all its LIHEAP funds every year, House Bill 2691, has drawn the most attention. Groups that advocate for low-income energy customers have generally been critical of the level of funding the state reserves every year.

The Energy Association of Pennsylvania, which represents large electric and natural gas utilities, is generally supportive of the bills.

“We’ve ... always argued that there is a great need out there and closing the program with dollars available above and beyond what you need to open the program the following year ... It’s just not being efficient,” said Nicole Luciano, manager of policy and research for the Association.

But state human services officials say they need the carryover funds to help the program run more smoothly.

That’s due to what they say can be an “inconsistent budget approval process at the federal level” — and to the fact that most years, the state usually doesn’t get money from the federal government until sometime in November, said Brandon Cwalina, a spokesman for the state Department of Human Services.

“By reserving money from year to year, we can provide a consistent opening date for LIHEAP, allowing people to plan when and how to afford their bills,” he said.

Federal law limits the carryover amount to not more than 10 percent of LIHEAP funds — or roughly \$20 million. In recent years, DHS has not carried forward more than 7.9 percent, he said.

State human service officials have proposed a \$169.5 million budget to pay for LIHEAP benefits this upcoming winter. The program is expected to open Nov. 1.

This winter, state officials are expecting to operate the LIHEAP program without the help of additional federal funding through the American Rescue Plan Act, which bolstered the program in 2021 through early 2022. Anticipating the decrease in funding, DHS has proposed a slightly shorter coverage season for this coming winter, with lower benefits compared to the winter before.

There will be an online public hearing on this year's proposed state LIHEAP plan on Tuesday at 10 a.m. Find out more about [how to listen or provide comment](#).