

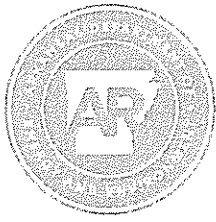
Funding \$ 3,000,000			
	Funding Formula %	Amount for AAA to Distribute	Senior Citizens Centers Funding
Region I	16.89%	506,672	
		Big Flat	8,216
		Van Matre	48,612
		Boone	36,754
		Marion	29,027
		Newton	18,367
		Searcy	22,755
		Farmington	32,607
		Fayetteville	42,463
		Lincoln	25,842
		Prairie Grove	14,771
		Elkins	18,891
		Bentonville	106,925
		Billy V Hall	26,074
		Lowell	11,252
		Carroll	43,344
		Madison	20,772
			506,672
Region II	9.20%	275,988	
		Cleburne	33,229
		Fulton	16,780
		Independence	34,416
		Izard	16,890
		Jackson	25,087
		Sharp	27,378
		Stone	21,030
		Van Buren	22,659
		White	60,635
		Woodruff	17,884
			275,988
Region III	13.31%	399,326	
		Greene	36,599
		Clay	19,972
		Lawrence	18,656
		Randolph	20,963
		Mississippi	43,098
		Crittenden	49,280
		St. Francis	40,319
		Lee	15,873
		Phillips	35,322
		Craighead	71,722
		Cross	20,500

	Funding Formula %	Amount for AAA to Distribute	Senior Citizens Centers Funding
		Poinsett	27,021
			399,326
Region IV	9.09%	272,784	
		Arkansas	24,793
		Ashley	30,715
		Bradley	14,949
		Chicot	20,813
		Cleveland	10,175
		Dallas	11,020
		Desha	19,559
		Drew	21,277
		Grant	16,694
		Jefferson	89,255
		Lincoln	13,534
			272,784
Region V	21.26%	637,811	
		Faulkner	92,532
		Lonoke	56,800
		Monroe	19,688
		Prairie	20,887
		Pulaski County-Jacksonville	59,846
		Pulaski County-Metro	287,492
		Saline	100,566
			637,811
Region VI	11.59%	347,556	
		Central AR Development Council (Gurdon, Arkadelphia, Malvern, Mt. Ida, Glenwood, Murfreesboro)	109,689
		Friendship Community Care (Pope, Danville, Dardanelle, Clarksville)	108,333
		Morrilton Human Relation Council (Morrilton, Perryville)	50,291
		CHI St. Vincent (Hot Springs)	79,243
			347,556
Region VII	10.10%	302,892	
		Calhoun	33,318
		Community Living Arrangements	18,628
		Columbia	35,408
		Dallas	24,019
		Hempstead	9,450
		Howard	9,662
		Lafayette	8,481
		Little River	17,113

	Funding Formula %	Amount for AAA to Distribute	Senior Citizens Centers Funding
		Miller	55,157
		Nevada	23,353
		Ouachita	29,744
		Sevier	29,169
		Magnolia Housing Authority	9,390
			302,892
Region VIII	8.57%	256,971	
		Alma	17,988
		Cedarville	11,512
		Mountainburg	10,074
		Mulberry	8,634
		Van Buren	23,744
		Baker	19,786
		Fort Smith	25,184
		Greenwood	9,893
		Hartford	3,598
		Lavaca	7,195
		Mansfield	7,195
		Midtown	17,089
		Booneville	11,564
		Paris	11,564
		Mena	20,558
		Cossatot	10,279
		Charleston	6,476
		Ozark	11,512
		Waldron	23,126
			256,971
Totals	100.00%	\$ 3,000,000	3,000,000







## ARKANSAS ENERGY & ENVIRONMENT

July 20, 2022

Senator Jonathon Dismang, Co-Chair  
Representative Michelle Gray, Co-Chair  
Performance Evaluation & Expenditure Review Committee  
Arkansas Legislative Council  
State Capitol Building  
Little Rock, AR 72201

RE: Arkansas Department of Energy and Environment, Arkansas Energy Office, Weatherization Assistance Program

Dear Co-Chairs:

In the PEER Subcommittee meeting on July 19, 2022, additional questions were asked regarding insurance requirements for the \$32,895,998 in Infrastructure Investment and Jobs Act (IIJA) funds allocated for the expansion of the Arkansas Weatherization Assistance Program (WAP). We regret any confusion that occurred during the discussion and offer the following as clarification.

E&E currently administers a “permanent” (renewed annually) WAP, funded by the Department of Energy (DOE), that has been in existence in Arkansas since the 1970s. This “permanent” WAP receives approximately \$2.5 million in funding annually from the DOE and is not part of the \$32,895,998 IIJA-funded WAP appropriation request currently before the Committee for review. E&E works with six local providers to administer the “permanent” WAP. Of those six providers, five are community action agencies (CAA) and one is a nonprofit organization.

In accordance with DOE program requirements, states are required to establish a new, separate “temporary” WAP (only funded for five years) with IIJA funds. Although both the “permanent” WAP and the “temporary” IIJA-funded WAP are identical in purpose and will operate under the same technical weatherization guidelines, the DOE requires that the programs be administered as separate programs. Furthermore, the “temporary” IIJA-funded WAP has additional reporting and record-keeping requirements as well as a more robust workforce training component when compared to the “permanent” WAP.

With respect to the Subcommittee’s questions regarding WAP insurance requirements, E&E currently does not require specific liability insurance coverage amounts for the local providers, general contractors, or sub-contractors in the “permanent” WAP. However, E&E can report that all six local providers and all general contractors in the “permanent” WAP carry \$1 million in liability coverage per occurrence with a \$1-3 million aggregate cap. Although work performed by a subcontractor would be covered by coverage from either the local provider or general contractor, subcontractors within the “permanent” WAP also carry \$100,000 to \$1 million

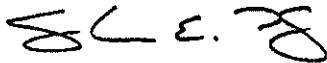
liability coverage per occurrence. Moreover, given that E&E is primarily an energy and environment regulatory agency, we do require a \$1 million pollution policy, which covers contractor's pollution liability, transportation pollution liability, and microbial liability.

With regard to the "temporary" IJA-funded WAP, E&E will require that each local provider and each general contractor carry a minimum of \$1 million liability coverage with a \$3 million aggregate cap and that all subcontractors carry a minimum of \$100,000 liability coverage with a \$1 million aggregate cap. Additionally, when E&E renews the "permanent" WAP next fiscal year (FY24), we will extend the same insurance requirements to the "permanent" WAP. Any increase in expenses due to these insurance requirements will be absorbed by the administrative costs offered to the local providers.

Attached is a revised map showing the distribution of the "temporary" IJA-funded WAP funds by county along with the amount allocated to each of the six local providers for administrative costs. These allocations are for planning purposes only. If a particular county requests more funds to meet the needs of that county, unused funds from other counties can be reallocated.

Thank you for your consideration.

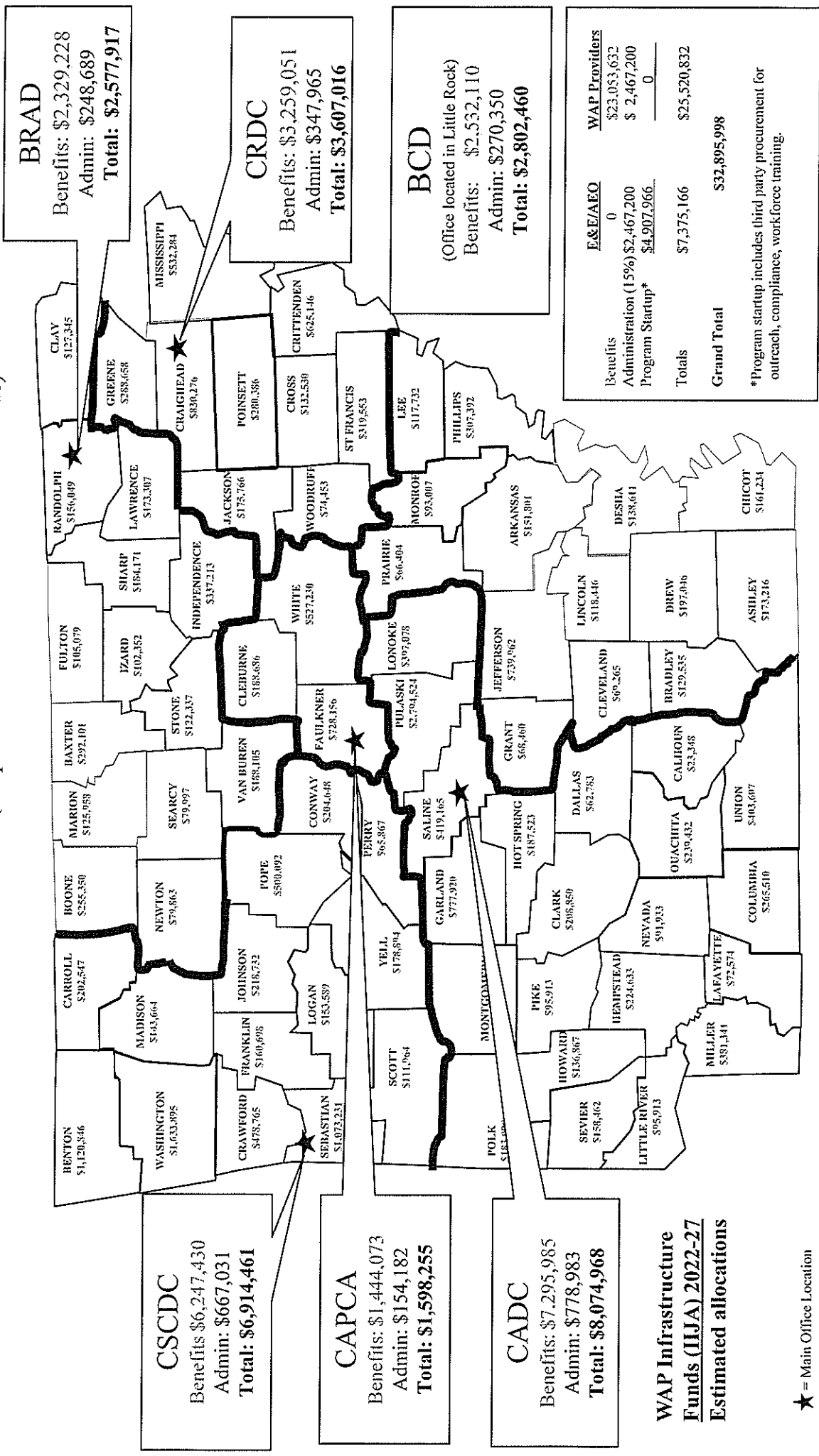
Sincerely,



Shane E. Khoury  
Chief Counsel  
Department of Energy and Environment



# Temporary (5-Year) Weatherization Assistance Program 2022-27 (Proposed distribution of DOE IJA funds)



**BRAD**  
Benefits: \$2,329,228  
Admin: \$248,689  
**Total: \$2,577,917**

**CRDC**  
Benefits: \$3,259,051  
Admin: \$347,965  
**Total: \$3,607,016**

**BCD**  
(Office located in Little Rock)  
Benefits: \$2,532,110  
Admin: \$270,350  
**Total: \$2,802,460**

**CSCDC**  
Benefits \$6,247,430  
Admin: \$667,031  
**Total: \$6,914,461**

**CAPCA**  
Benefits: \$1,444,073  
Admin: \$154,182  
**Total: \$1,598,255**

**CADC**  
Benefits: \$7,295,985  
Admin: \$778,983  
**Total: \$8,074,968**

E&E/AEO	WAP Providers
Benefits	\$23,053,632
Administration (15%)	\$ 2,467,200
Program Startup*	0
Totals	\$25,520,832
<b>Grand Total</b>	<b>\$32,895,998</b>

\*Program startup includes third party procurement for outreach, compliance, workforce training.

**WAP Infrastructure  
Funds (IJA) 2022-27  
Estimated allocations**

★ = Main Office Location

