

Protect Funding for Low Income Home Energy Assistance Program (LIHEAP)

The Low Income Home Energy Assistance Program (LIHEAP) provides critical home heating and cooling help to millions of vulnerable American families. LIHEAP funding peaked when Congress appropriated \$5.1 billion for the program in FY09 and FY10. Since then, funding has fallen by more than one-third to \$3.39 Billion in FY16. As a result of these cuts, more than one million fewer eligible households receive energy assistance, and average individual grants have been reduced. The most recent budget proposed by President Trump would eliminate all funding for LIHEAP.

Why protect LIHEAP Funding?

America’s Electric Cooperatives serve 93 percent of the persistent poverty counties in the country and we need to keep this important tool in the tool chest so that we can continue to help our most vulnerable consumer owners in times of crisis.

LIHEAP Makes The Difference: A 2016 study from the Federal Reserve found that nearly half of American families would struggle to pay for an emergency expense costing \$400. LIHEAP frequently meets those exact short-term emergencies and can be the difference between making ends meet or not.

The Need For LIHEAP Remains High: In 2015, the national poverty rate was 13.5 percent, and 43.1 million Americans lived in poverty. These numbers remain above pre-recession levels.

LIHEAP Prioritizes Vulnerable Households: According to HHS data, more than 70 percent of LIHEAP recipient households had at least one vulnerable person – a senior age 60 or older, a child age 5 and under, or an individual with a disability.

LIHEAP Is Not An Entitlement: Unlike entitlement programs that receive funding based on changes in the eligible population, LIHEAP is funded by the annual Congressional appropriations process. While states set eligibility rules, federal law sets the income maximum at 150 percent of the federal poverty guideline or 60 percent of a state’s median income. For example, 150 percent of the FY17 poverty guideline for a family of three is \$30,240. Most LIHEAP recipients earn much less than the maximum thresholds: the most recent data show that a typical LIHEAP recipient household had a median income of 83.5 percent of the federal poverty guideline.

	Households Eligible	Households Served (FY 2016)	% Households NOT Served (FY 16)
United States	35,536,009	6,070,905	82.9%

NRECA Position: Congress should appropriate at least \$3.39 Billion in FY 2018 funding for the Low Income Home Energy Assistance Program (LIHEAP). Congress faces very difficult fiscal challenges and tough budget decisions will need to be made. However, cutting LIHEAP funding is not the answer, and will deny people heating and cooling, which are basic needs for survival.

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