

United States Senate

WASHINGTON, DC 20510

March 29, 2012

The Honorable Tom Harkin, Chairman
The Honorable Richard Shelby, Ranking Member
Committee on Appropriations
Subcommittee on Labor, Health and Human Services, Education, and Related Agencies
United States Senate
Washington, DC 20510

Dear Chairman Harkin and Ranking Member Shelby:

Congress and the Administration confront challenging fiscal decisions, and we recognize that we will need to work cooperatively to address our country's deficit in a manner that will promote job growth and economic recovery. It is in this spirit that we write to urge you to fund the Low Income Home Energy Assistance Program (LIHEAP) for Fiscal Year 2013 at no less than the Fiscal Year 2011 level of \$4.7 billion.

LIHEAP is the main federal program that helps low-income households and seniors with their energy bills, providing vital assistance during both the cold winter and hot summer months. Even though the number of households eligible for the program continues to exceed those receiving assistance, this funding has been a lifeline during the economic downturn and rising energy costs, helping to ensure that recipients do not have to choose between paying their energy bills and paying for food or medicine. Moreover, the funds invested in LIHEAP help stimulate the economy, generating \$1.13 in economic activity for every dollar in benefits paid, according to analysis by economists Mark Zandi and Alan S. Blinder.

Americans continue to face challenging times. The U.S. Census reported that 46.2 million people lived in poverty in 2010, the largest number in the 52 year history of published poverty estimates. In addition, according to the National Energy Assistance Director's Association (NEADA), in 2011, LIHEAP provided vital energy assistance to 8.9 million households, an increase of 54 percent since 2008. Even more striking is that the number of veteran households served increased by more than 150 percent during the same period. Indeed, the number of veteran households served by LIHEAP has increased from about 700,000 in Fiscal Year 2008 to 1.78 million in Fiscal Year 2011, which represents an increase from 12 percent of total LIHEAP recipients to 20 percent since 2008.

However, funding for LIHEAP was cut by 25 percent for Fiscal Year 2012. As a result, according to NEADA, the average grant award was reduced from \$417 to \$308, decreasing the purchasing power of the grant. This cut presents a real challenge for low income households in paying their energy bills since they already pay proportionately more on energy compared to other households. Indeed, according to the U.S. Department of Health and Human Services, low-income households spend nearly 14% of their annual income on energy expenditures,

compared to roughly 7% for all households. Therefore, we ask that you take into account the great need for LIHEAP and the devastating impact cuts to the program could have on seniors and low-income families and ask that you restore LIHEAP funding to the Fiscal Year 2011 level.

Thank you for your attention to and consideration of this important request.

Sincerely,

Jack Reed

Sheldon Brown

John J. King

Patrick Leahy

Ben Sanders

Max Baucus

Jim Johnson

Olympia Snowe

Kelly A. Ayotte

Jo Webb

Paul Leavelle

Scott P. Brown

Kay R. Hagan

Amy Klobuchar

Jim Lick

Jeffrey A. Mackay

Barbara M. Minkley

Lee Minkley

Jay R. Minkley

Chuck Sch

Jeanne Minkley

Frank R. Laukenberg

Richard A. Sugar

Daniel X. Spaka

Tom Udare

Rebecca Stenow

Chris Coen

Mark Bezek

Bob Carey, Jr.

Kirsten E. Gillibrand

Shirley

Jim Tette

Al Franken

Herb Kohl

Ben Cardin

Max Baucus

Ron Wyden

Susan Collins

Maria Cantwell

Richard Blumenthal

Jeff Blumenthal

Din Dardin
