

Press Release (4/19/10)

State Agencies Report Federal Funding for LIHEAP Helps Millions of Low Income Families Millions of Poor Families Avoid Shut-Offs: Release of National Survey

Contact: Mark Wolfe
Phone: 202-237-5199, Cell: 202-320-9046

The National Energy Assistance Directors' Association today released its annual survey of families receiving help paying their home heating and cooling bills through the Low Income Home Energy Assistance Program. (www.neada.org). Of special concern was whether the additional funding provided by Congress for LIHEAP was making a difference in helping poor families pay their energy bills.

Congress doubled funding for LIHEAP from \$2.57 billion in FY 2008 to \$5.1 billion in FY 2009 and FY 2010. The number of households assisted increased 3.1 million households between FY 2008 and FY 2010 (5.7 million in FY 2008, 7.7 million in FY 2009 and 8.8 million in FY 2010). Average payments increased from approximately 32% to 47% of the cost of home heating during this period.

During the period of study, the economic recession hit with full force. The survey results confirmed that the increased funding allowed millions of lower income families to maintain access to affordable home energy. The following results confirm this observation:

- **Addressing High Unemployment:** 60% of LIHEAP recipients reported that the primary reason they had trouble paying their energy bill in 2009 was because they had lost their job or had reduce income – up from 37% in 2008.
- **Prevent Shut-Off of Utility Service:** 61% of households reported that LIHEAP assistance was sufficient to prevent shut off of natural gas or electric service up from 54% in 2008. If LIHEAP had not been available 53% reported that they would had their home heating fuel or electricity discontinued up from 48% in FY 2008.
- **Importance of LIHEAP in Helping to Meet Energy Needs:** 93% of households reported that LIHEAP was essential in helping them meet their home heating needs up from 90% in FY 2008 and 74% in FY 2003.
- **Across all income groups, households reported that LIHEAP was essential in helping them meet their home energy needs:** elderly – 91%, disabled 96%, families with young children 93%.
- **LIHEAP reduced the impact of high energy bills:** About 53% of households reported annual energy bills of at least \$1,500. Before LIHEAP, 55% of households reported paying more than 11% of their income for home energy, after LIHEAP the percentage declined to 19% - a significant increase in affordability.

Families receiving LIHEAP include some of the nation's most vulnerable households: 92% have an elderly household member, a disabled household member, or a child in the home. In addition, many suffer from severe medical conditions including chronic bronchitis (21%), heart disease (51%) and asthma (46%).

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