

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

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April 21, 2010

Increased Federal Funding for the Low Income Home Energy Assistance helps thousands of Connecticut's Lower Income Families Pay their Energy Bills and Avoid Shut-offs

The National Energy Assistance Directors' Association today released its annual survey of families receiving help paying their winter heating bills through the Low Income Home Energy Assistance Program. As the request of Rep. DeLauro, NEADA also conducted a separate survey of households receiving help in Connecticut (www.neada.org/). Of special concern was whether the additional funding provided by Congress for LIHEAP was making a difference in helping low income families pay their energy bills. Congress increased funding for LIHEAP from \$2.57 billion in FY 2008 to \$5.1 billion in FY 2009 and then maintained that same level of funding for FY 2010.

LIHEAP Payment to CT Doubled: Payments to Connecticut increased from \$64.8 million to \$125.9 million. As a result of this increase, the state was able to increase the number served from about 86,000 in FY 2008 to 107,000 and then approximately 112,000 in the winter season that just ended.

During the period of study, low-income households across the country faced an increasingly difficult economic climate and continued to deal with high energy costs. The national survey substantiated these issues. However, while the national survey showed that LIHEAP recipients continued to face many challenges in meeting their energy needs, the prevalence of these problems did not increase as compared to the previous year.

One important factor that improved the circumstances of low-income households with respect to their energy bills was the increase in the total LIHEAP appropriation. This resulted in greater average LIHEAP benefits and a greater percentage of eligible households served. Without this increased funding, we expect that we would have seen an increase in the prevalence of the problems studied in this report.

Mark Wolfe, Executive Director of NEADA, stated that the findings clearly demonstrate the important of LIHEAP in helping low income families pay their home energy bills and avoid having to choose between heating and eating. He also added that NEADA would like to express its deep gratitude to Rep. DeLauro for sponsoring this study as well for her long time support of LIHEAP.

The following provides a summary of the report's findings. The full report provides this data by congressional district within Connecticut.

CT Recipients Were Less Likely to Report Medical and Health Problems Due to High Energy Bills: Respondents were asked about medical and health problems that they faced in the past five years due to unaffordable energy bills. About 21% reported that they went without food, 29% reported that they went without medical or dental care, and 23% reported that they did not take a prescription. LIHEAP recipients in CT were somewhat less likely to face these problems than those in other parts of the country. In the U.S. as a whole, 30% said they went without food, 41% said they went without medical or dental care, and 33% said that they did not take their prescription.

Mean LIHEAP benefits for households in CT were \$892, compared to \$673 in the Northeast and \$546 in the U.S. This may be one of the reasons that LIHEAP recipients in CT are less likely to experience some of the problems caused by high energy bills than other LIHEAP recipient households across the country.

Demographic Characteristics: LIHEAP recipients in CT, like those throughout the U.S., are likely to have vulnerable household members. Approximately 90% have an elderly household member, a disabled household member, or a child in the home. These households have very low incomes – 60% of the recipients in CT have annual household income of under \$20,000 and 40% have income below the poverty level.

Financial Situation: Like LIHEAP recipients across the country, recipients in CT were likely to say that their financial situation was worse than it had been the previous year. In the state as a whole, 41% said that their financial situation had worsened. Recipients in District 5 (Waterbury/Danbury/New Britain) were most likely to say that their situation had worsened. About 46% of these recipients said that their financial situation had worsened, compared to 35% in District 4 (Bridgeport/Stamford/Norwalk).

Energy Costs: LIHEAP recipients in CT reported high energy costs. Nearly half of these respondents said that their annual energy costs were more than \$2,000, compared to 41% in the Northeast and 37% in the U.S. However, due to their higher incomes, their energy burdens are not as high.

LIHEAP has a big impact on CT LIHEAP recipients' energy burden. Only 16% of LIHEAP recipients in CT had an energy burden of five percent or less, prior to LIHEAP, but 59% had an energy burden of five percent or less after LIHEAP.

Responses to High Energy Costs: LIHEAP recipients in CT sometimes take detrimental actions to meet their energy needs, including 19% said that they kept their home at a temperature that they felt was unsafe or unhealthy during the past year (25% in District 3 (New Haven) and 23% in District 1 (Hartford) said that they did so).

Inability to Pay Energy Bills: They also have times when they cannot afford to pay their energy bills and suffer loss of service: 33% said that they received a notice or threat to discontinue their electricity or heating fuel, 11% said that their electric or natural gas service was shut off (14% in District 4 (Bridgeport/Stamford/Norwalk) said that their service was shut off compared to 7% in District 5 (Waterbury/Danbury/New Britain).

Many Working Families are Receiving LIHEAP: About one-third have employment income, 35 percent have retirement income, 31 percent receive public assistance, and 42 percent receive non-cash benefits.

Shut-Offs: Respondents were asked whether their electricity or gas was shut off due to nonpayment during the past year. About 8% of LIHEAP recipients in CT said that their electric service had been shut off, 5% said that their gas service had been shut off, 11% said that one of the two services had been shut off.

The Need for LIHEAP

The survey provided documentation of the need for LIHEAP among program recipients in CT.

- 86% said that they applied or plan to apply for LIHEAP again during the current year.
- 66% said they would have kept their home at a unhealthy or unsafe temperature if LIHEAP had not been available.
- 47% said they would have had their electricity or home heating fuel discontinued if LIHEAP had not been available.
- 95% said that LIHEAP was very important in helping them meet their needs.

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