

Press Release

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**Statement in Response to the Administration's FY 2018 Budget Proposal
LIHEAP Demonstrates Strong Performance Outcomes:
Prevents Shut-Offs for Millions of Poor Families**

The Administration's Budget, if enacted, would eliminate all funding for the Low Income Home Energy Assistance Program (LIHEAP) beginning in FY 2018. The practical result would be that millions of low income families would not be able to afford their home energy bills and would face having to choose between heating and cooling their homes and the purchase of other vital necessities including food and medicine.

The Administration's Budget states that *LIHEAP is unable to demonstrate strong performance outcomes*. The National Energy Assistance Directors' Association, representing the state LIHEAP directors strongly disagrees with that characterization of the program. LIHEAP has developed and implemented a comprehensive performance measures program that was implemented beginning in FY 2016. HHS requires states to submit an annual report containing data on targeting households that pay the highest energy costs in proportion to their income, restoring energy services to families that have been shut-off due to lack of payment, and prevention of loss of energy services.

An analysis of preliminary data for FY 2016 received from 30 states reported that LIHEAP:

- restored energy services for 217,542 families, approximately 7.8% of the total households served in those states. These are households that had been disconnected from service, had run out of delivered fuels, or whose heating or cooling appliances had become inoperable.
- prevented disconnection for 840,925 households, 30.0% of the total households served in those states. These households were at immediate risk of losing energy services, having either received a disconnect or past due notice, about to run out of delivered fuel, or having energy equipment in need of repair or replacement.

The Administration's Budget further states in support of their proposal that the more than six million households currently receiving energy assistance will be able to maintain energy service because, *utility companies as well as state and local governments, provide significant heating and cooling assistance and the majority of states prohibit utilities from discontinuing heating during the winter months*.

Replacing LIHEAP with a patchwork of state, local and utility assistance would take us back to the days when many poor families used their stoves to heat their homes and suffered the shut-off of energy services when they were unable to pay the bill. Disconnection has been especially

problematic during periods of price spikes due to global events or extreme weather conditions. State, local, and private and nonprofit sector programs are not a substitute for LIHEAP, rather they provide supplemental assistance.

LIHEAP is targeted to serve some of the most vulnerable households in the country. In FY 2016, the number of households receiving heating and cooling assistance was approximately 6.1 million or about 19% of eligible households. Of the recipient households, 83% have incomes of less than 125% of the federal poverty level and 41% have incomes below 75% of the federal poverty level. In addition, 70% of recipient households have at least one member who is elderly or disabled, or have a child under the age of six. Without this vital assistance, many of these families would be faced with the impossible choice of choosing between heating and cooling their homes, and paying for other necessities such as food and medications.

According to NEADA Chair John Harvanko, eliminating LIHEAP, "threatens the health and safety of individuals who cannot afford to pay their heating bills when they need it the most, especially, the most vulnerable members of our society—seniors, children and the disabled."

LIHEAP's impact in many cases goes beyond providing bill payment assistance by playing a crucial role in maintaining family stability and improving health outcomes for vulnerable populations. It enables elderly citizens to live independently and ensures that young children have safe, warm homes to live in. Although the circumstances that lead each client to seek LIHEAP assistance are different, LIHEAP links these stories by enabling people to cope with difficult circumstances with dignity.

NEADA strongly urges the Congress to reject the Administration's proposal and instead maintain funding for this vital program to ensure the country's most vulnerable families can heat and cool their homes in the coming year.

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NEADA is the primary educational and policy organization for the state LIHEAP directors. LIHEAP is a federal program providing formula grants to states to help low-income families pay their heating and cooling bills.