

NEADA

NATIONAL ENERGY ASSISTANCE DIRECTORS ASSOCIATION

# Federal LIHEAP Update

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JUNE 10, 2025

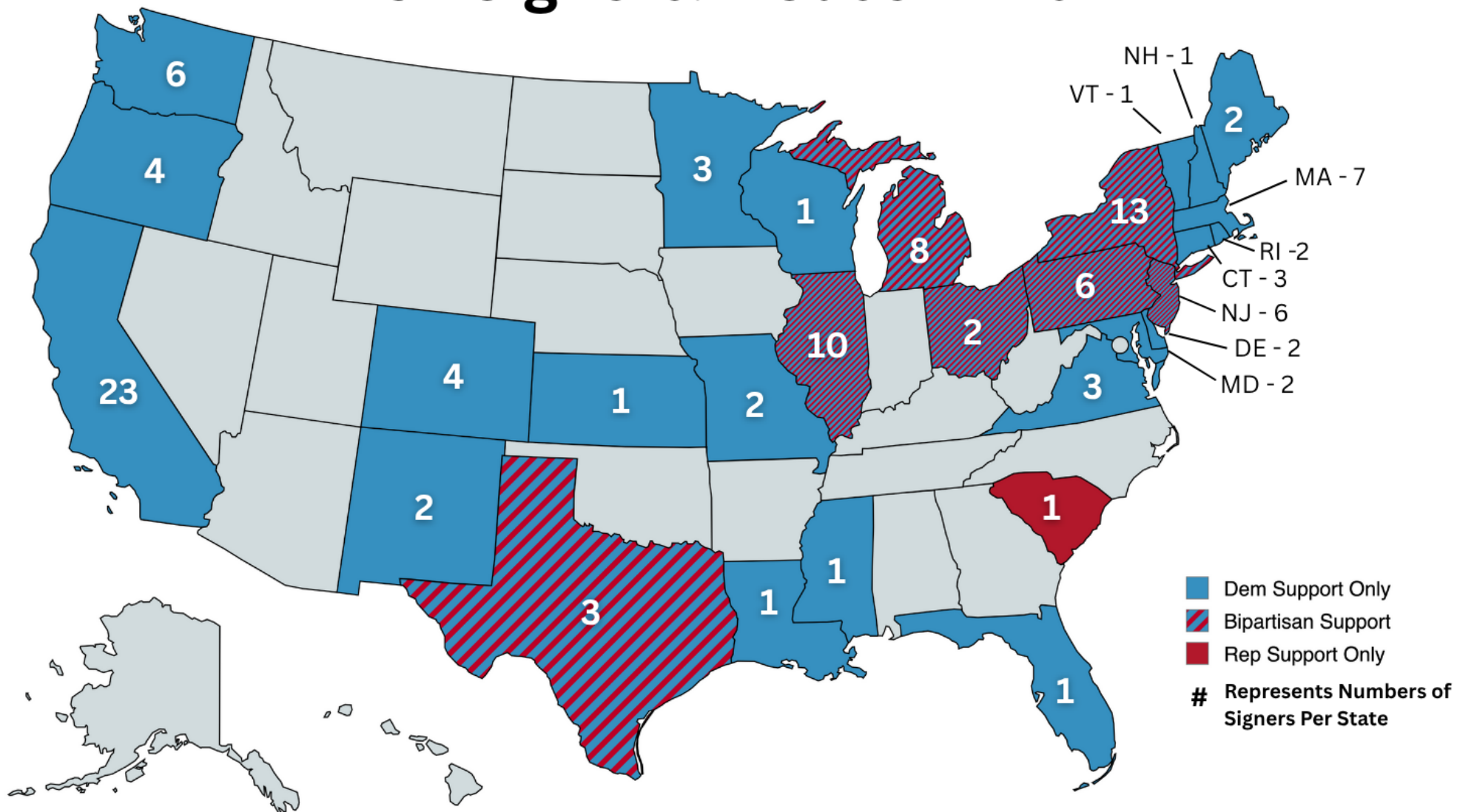
# Fiscal Year 2025 Status

- \$4.025 billion + \$100 million in IJA Funding
- All funds have been released
- Release of final 10% was a good sign that the Administration will honor Congressional appropriations
- HHS is working on reallocation
- Spend down oldest funds & IJA first

# Fiscal Year 2026 Status

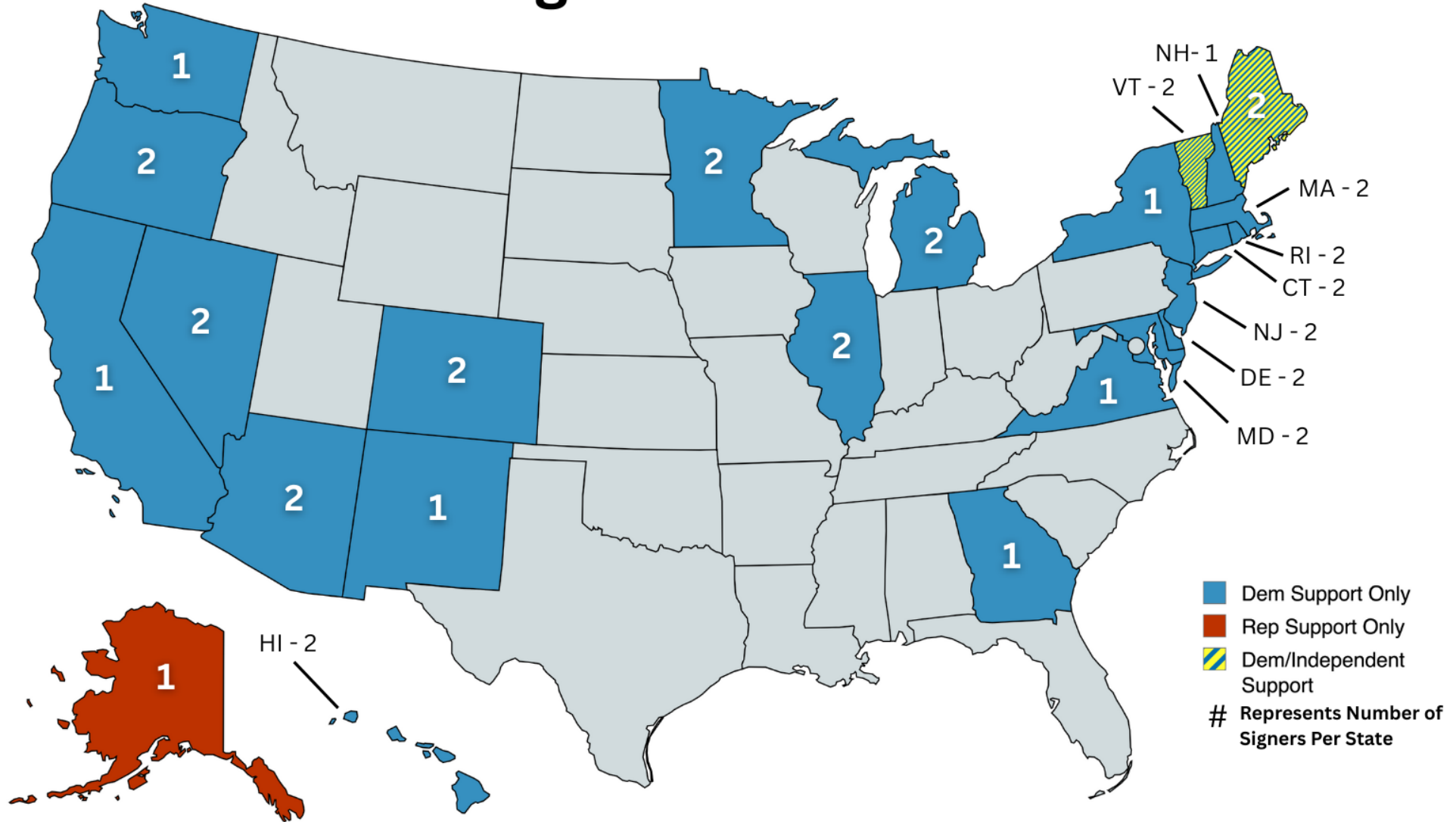
- President Trump's proposed budget eliminated funding for LIHEAP using the 2010 GAO report, unequal funding between states, and disagreements about state energy policy as rationale (this was expected)
- House and Senate have final budgetary authority. There is longstanding bipartisan support for LIHEAP in the House and Senate.
- [Big Beautiful Bill Act](#) does not address LIHEAP except to limit Heat & Eat to elderly and disabled populations.
- House and Senate have not released funding bills covering LIHEAP.
  - House Appropriations Subcommittee on [Labor, HHS, Education, and Related Agencies](#)
  - Senate Appropriations Subcommittee on [Labor, HHS, Education, and Related Agencies](#)

# DCL Signers: House FY26



Total Amount of Signers - 121

# DCL Signers: Senate FY26



**Total Amount of Signers - 40**

# Continuing Resolution Basics

- If Congress is unable to pass a full-year budget before the end of September, they must pass a continuing resolution (CR) that funds the government for a short period of time based on last year's budget.
- The CR may be for any duration – days to months. Most programs receive funding in proportion to the duration of the CR: for a 1-month CR, programs receive 1/12 of their allocation from the previous year.
- CRs can have anomalies, provide more funding for specific programs
  - Often used for emergency response.
- If Congress does not finalize a budget before the expiration date of the continuing resolution, they must pass another CR to extend their time.
- If Congress does not pass a budget or a CR by the expiration of the last bill, the government will shut down and no programs will receive additional funding until Congress passes a funding bill.
- There has been at least one CR every year but two since the 1970s

# Continuing Resolutions and LIHEAP

- In the case of a CR, the Office of Management and Budget (overseen by the President) has the authority to release additional funds for programs that require a significant portion of their funding at the beginning of the fiscal year.
- LIHEAP is regularly one of those programs, receiving 90% of the previous year's appropriation regardless of the duration of the CR.

**\*\*This is not a requirement. OMB can choose to release any amount they want, including just the amount proportional to the duration of the CR\*\***

- During President Trump's last term, OMB continued the tradition of releasing 90% of the funding for LIHEAP. We do not know if that will happen this year.

# Other FY2026 Concerns

- Delays/unexpected process for model plan reviews. May have scrutiny from high level HHS staff
  - Get your plan in early
- Significant cuts to LIHEAP. Some proposals have suggested cutting LIHEAP to FY 2019 level of \$3.6 billion
- Refusal/delays in release of FY 2026 funding
- Have contingency plans in place

# Current LIHEAP Bills in Congress

## ➤ Heating and Cooling Relief Act of 2025

- Introduced by Senator Markey (D-MA) and Representative Ansari (D-AZ03)
- “Rising tide” approach
- Makes LIHEAP entitlement-like: guarantees funding to ensure all eligible households pay no more than 3% of income for their (year-round) energy bills
- Includes at least \$2b/year for emergency funds and \$1b/year for climate adaptation
- Expands eligibility to 250% FPL or 80% SMI (currently 150% FPL or 60% SMI)
- Expands shutoff and other protections for families receiving LIHEAP
- Requires utilities receiving LIHEAP funds to create a discounted rate program

## ➤ LIHEAP Parity Act of 2025

- Introduced by Senators Kelly (D-AZ) and Gallego (D-AZ)
- Removes 1984 Hold Harmless provisions
- Requires HHS to publish data inputs for formula and how often they are updated (which exists)

# LIHEAP Federal Staffing

- All federal DEA staff were let go in April
- Fiscal staff and contractors serving as skeleton staff
- Federal contacts have committed to continuing all normal LIHEAP activities including monitoring, releasing funds, and model plan review/approval
- CC [LIHEAP@acf.hhs.gov](mailto:LIHEAP@acf.hhs.gov) on \*all\* communications with federal staff

# LIHEAP Reporting and Monitoring

- Most reporting will continue as usual\*
- All planned desk monitoring in 2025 will be completed
- All in-person monitoring in 2025 will be desk/remote
- The FY2026 Model Plan submission & approval process will remain the same
- The [LIHEAP Data Dashboard](#) will continue to be updated
- The Performance Management [Data Warehouse](#) will be updated with FY24 data soon. Future unclear depending on HHS contracting ability.

\*OCS has made an update to the quarter three (Q3) report to add an element for respondents to provide the Estimated Unobligated Balance of Funds through September 30<sup>th</sup>. The purpose and use of the information is to replace the current estimated Carry Over Reallotment Report (CRR), normally due August 1, of each year. The final CRR will still be due in December. The information collected in the Quarterly Reports will be used for Training and Technical Assistance.

# Final Thoughts

- Compared to other assistance programs, LIHEAP is in good shape.
- Stay connected! Share concerns, issues, and questions with the NEADA listserv
- For additional resources, visit the [LIHEAP Under Threat](#) page on the NEADA website
- The [NEADA Annual Meeting](#) will be August 12 – 13, 2025 in Indianapolis, IN



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