NEADA
NATIONAL ENERGY ASSISTANCE DIRECTORS ASSOCIATION

April 16, 2026

Testimony of Mark Wolfe, Executive Director, National Energy Assistance Directors Association (NEADA), representing the state directors of the Low Income Home Energy Assistance Program (LIHEAP) before the House Appropriations Subcommittee on Labor, Health and Human Services and Education and Related Agencies in support of Fiscal Year 2027 funding for LIHEAP.

Chairman Aderholt, Ranking Member DeLauro, and members of the Subcommittee,

NEADA appreciates the opportunity to submit testimony on the funding requirements for FY 2027 for the Low Income Home Energy Assistance Program (LIHEAP) in the U.S. Department of Health and Human Services, Administration for Children and Families. NEADA is requesting that Congress provide $7 billion for LIHEAP in FY2027: $6 billion in base funding for the program and $1 billion in contingency funds that allow the federal government to respond quickly and effectively to extreme weather events and sudden spikes in energy costs. This level of funding is necessary to keep pace with rising energy costs, worsening extreme weather, and increasing demand for assistance.

Providing $7 billion for LIHEAP would signal that the program is essential in keeping American families safe in their homes despite rising energy costs. The current funding level, $4.1 billion, is not enough. Families are facing mounting pressure from all sides. According to the Consumer Price Index, home energy costs are increasing at more than two and a half times the rate of overall inflation. Because energy is a basic necessity, these increases function like a regressive tax, placing disproportionate pressure on low-income households that already devote a larger share of their income to energy expenses.

U.S. home heating costs are projected to rise by 11.0 percent this year, driven by higher electricity and natural gas prices and colder than average winter weather. The war in Iran has driven heating oil costs up more than $1 per gallon adding roughly $600 annually for households that use heating oil. The President has indicated that oil prices could remain elevated through the end of the year, suggesting that these pressures are unlikely to ease in the near term.

Of even greater concern is the scale of utility shutoffs affecting residential households. The 2024 Residential Utility Disconnections Report, recently released by the U.S. Energy Information Administration, found that utilities disconnected electricity service 13.4 million times and natural gas service 1.7 million times in 2024. These figures confirm that the electricity shutoff crisis is far more widespread than previously estimated, underscoring the depth of the nation's energy affordability challenges.

State-level data further illustrate the scope of the problem:

- Alabama: 454,815 residential electric and 80,654 natural gas disconnections
- Connecticut: 68,659 residential electric and 30,939 natural gas disconnections
- California: 473,544 residential electric and 8,952 natural gas disconnections

- Georgia: 458,435 residential electric and 134,421 natural gas disconnections
- Maryland: 83,044 residential electric and 17,419 natural gas disconnections.

The President's FY2027 budget proposes to eliminate all federal funding for LIHEAP, cutting off assistance to approximately six million low-income households that rely on the program to afford home heating and cooling. Eliminating LIHEAP under these conditions would dramatically worsen the nation's energy affordability crisis, leaving millions of vulnerable households without the assistance they need to keep their lights on and their homes safe.

Moreover, the Administration's proposal rests on several incorrect assumptions about the program and how energy assistance works in practice.

First, the proposal relies on outdated claims regarding program integrity, including a Government Accountability Office report that is more than a decade old. Since that time, states and the federal government have implemented reforms to strengthen verification systems, modernize application processes, and enhance auditing.

Second, the proposal reflects a misunderstanding of LIHEAP's role. LIHEAP serves households nationwide by providing heating assistance in colder regions, cooling assistance in warmer climates, and support during extreme weather events. Benefits are targeted based on income and directly reduce household energy burdens.

Third, the proposal places too much reliance on utility shut off protections. Seasonal moratoriums only delay disconnections and do not eliminate the underlying debt. Once protections expire, households must still pay accumulated balances. Without LIHEAP, many more families would face service termination. These protections also often do not apply to municipal utilities, electric cooperatives, or delivered fuels such as heating oil and propane.

Fourth, the proposal underestimates the national impact of the program. LIHEAP serves households in all 50 states, including those that rely heavily on delivered fuels and face the highest winter heating costs.

At a time of rising costs and growing energy insecurity, maintaining and strengthening LIHEAP is more important than ever. Thank you for your attention to this urgent matter and for your continued commitment to protecting vulnerable households.

Mark Wolfe

Mark Wolfe

Executive Director