

CAMPAIGN FOR HOME ENERGY ASSISTANCE

February 8, 2008

Economic Stimulus- LIHEAP--- *Senate-February 7, 2008*

REID: The stimulus package I introduced earlier this week included a \$1 billion increase for the Low-Income Home Energy Assistance Program, or LIHEAP. I commend my colleagues, my friend Jack Reed, Bernie Sanders, Susan Collins, and a number of others, for their strong advocacy for LIHEAP and for the broad support that they have helped build for the program. They know LIHEAP is critical for many Americans who otherwise will be forced to choose between heating their homes, putting food on the table, or buying medicine or gas for their car. These are people who will spend any additional assistance and help stimulate the economy.

GREGG. Madam President, reserving the right to object, I note that I strongly supported LIHEAP and have supported it on numerous occasions and continue to support its expansion. I happen to believe it should be paid for. I don't think we should pass on to our children and our grandchildren the cost of the oil bills today. We should expand LIHEAP, but as part of expanding LIHEAP, we should offset that with an offsetting savings somewhere else. So at this time I have to object.....

LEVIN. The Finance Committee amendment would have made this a much better package for stimulating the economy. Extending unemployment insurance, raising the cap on mortgage revenue bonds to help keep people in their homes, and funding the LIHEAP program to help people heat their homes are all timely provisions that offer temporary assistance that precisely targets the people who need this help the most. Putting money into their hands is the most effective way to kick-start our economy in the shortest time possible.

Failure to approve yesterday's amendment also means that the stimulus package will not include an additional \$1 billion for the LIHEAP program, which provides energy assistance to many low-income families. This program has been seriously underfunded for the current fiscal

year, and this additional infusion of LIHEAP funding would have put money quickly and directly into the hands of individuals who need it. LIHEAP funds would be spent quickly and immediately, thus stimulating the economy and providing a vital safety net to families and seniors so they do not need to choose between eating and paying their energy bill. In addition to being targeted to those most in need, LIHEAP funding would provide benefits to the economy. Studies have shown that every LIHEAP dollar distributed generates up to five \$5 of economic activity. By helping to offset home heating costs, these low-income households will be able to spend money on other vital essentials that will in turn help to stimulate the economy.

MURRAY. The package we voted on last night had a number of very important provisions: extension of unemployment insurance; LIHEAP for millions of families who are very concerned about being able to heat their homes; the energy package that my colleague, Senator Cantwell, worked hard to put in to stimulate jobs and bring jobs in critical regions of the Nation and deal with the energy crisis as well.

We are all disappointed on this side that but for one vote those would be part of this package which would then go back to the House and, we would hope, be signed by the President.

SCHUMER. We tried to bring in LIHEAP funds. Those of us from Northern States know how hard it is to heat your home with the price of oil and gas through the roof. They said no.

LIHEAP - Senate - February 6, 2008

REED: Now, there is another aspect of the package we will consider later today, I hope; that is the LIHEAP support. We have seen a huge increase in energy costs. On average, Americans are spending about 11 percent more to heat their homes this winter. For Rhode Islanders who rely on heating oil, that is about 39 percent higher than last year in terms of their heating oil expenses.

We know that the timely, targeted, and temporary aspects of stimulus have to be met. LIHEAP will do this. It is timely because it will be delivered very quickly. We have a delivery mechanism in place. It is also something that will fund families, low-income families, who desperately need this money.

I do not have to belabor the point that today, around the kitchen table, people are figuring things out. They are thinking, first of all, they probably need to take off sending their first born or their second or third child to the expensive school; that may be off the table for a few years. But they are also talking very basically about which bills to pay this month? Do we pay our mortgage? Do we pay the energy bill? Do we pay the credit cards which we are using to buy food at the supermarket these days?

I mean, these are the debates American families are having. They are not talking in terms that we are here, such as what is the best macroeconomic policy or how we can delay these expenditures, they are talking in terms of a real crisis in the family. We have to respond. One way we can respond quite clearly is with this LIHEAP money because that will go to one of their major concerns: How do we keep the heat on in the Northeast for the next several weeks and month; and in the Southwest, in anticipation of the grueling temperatures down there in the summertime, too. This additional money will provide an advance payment on cooling problems in the Southeast and the South, parts of the country that will soon encounter warm temperatures, not cold temperatures, which cause their energy costs to rise.

Again, these are the households who need LIHEAP. And so we know we have a program that works in LIHEAP. If we can deliver additional resources, it will get to the families who need it, particularly seniors, it will get out immediately. It will add to the stimulus effect because as the economists--both Mr. Blinder and Mr. Zandi--pointed out, it will leverage our investment in the economy.

So with the escalating costs for energy I would urge my colleagues that we go ahead and accept this amendment, particularly the funds for LIHEAP. I urge us all to support the Senate Finance Committee package, a package that provides for greater coverage to seniors and disabled American veterans and also provides unemployment insurance for those who desperately need it and heating assistance for, again, the families who desperately need it.

I hope that today, not only good sense, good economic sense, but a sense of our obligations to the most vulnerable in this country will persuade us to support this package strongly.

Kennedy: Our Senate HELP Committee held a field hearing on fuel assistance in Boston last month. One of our witnesses was Margaret Gilliam, a senior citizen taking care of her grandchildren in Dorchester. She has already spent \$4,000 on heating oil this winter, which is nearly as much as she spent all last year, and there are still 6 or more weeks of winter to go.

She told us that she tries to make each Social Security check stretch by asking her fuel company to deliver just 50 gallons at a time, because she can't afford to pay to fill her tank. Most often, heating oil companies will not deliver less than 100 gallons.

Even for those fortunate enough to have fuel assistance under LIHEAP, the benefits will cover less than a third of these costs. Most households won't get any help at all--of the 35 million households eligible for fuel assistance nationwide, fewer than 6 million receive these benefits.

The high cost of basic essentials forces families to make impossible choices between paying for fuel, paying for groceries, paying for health care, or paying their mortgage. If parents choose to keep their children warm and fed, they risk losing their home. The lack of even a small amount of assistance--just an extra 100 or 200 gallons of fuel oil--can mean the difference between security and homelessness.

There are simple steps we can take to end this ``perfect storm.'' One of the most important is the provision in the Senate bill providing additional home heating assistance for families struggling to stay warm this winter. Mr. President, \$1 billion in additional LIHEAP funding will help 2.8 million families pay their heating costs and make it through the winter. Helping families meet this basic need is also one of the quickest ways to jumpstart the economy. An increase in LIHEAP benefits takes as little as 2 weeks to get to the pockets of working families.

This year, we provided a significant increase for LIHEAP. But it is far from enough and we still have a long way to go to get to the program's authorized level of \$5.1 billion.

It has been said that some people know the price of everything but the value of nothing. How else can you

explain the administration's latest budget request which cuts the program by 22 percent?

LIHEAP represents a tiny fraction of 1 percent of the entire Federal budget. Yet it does so much for those most in need. Programs like LIHEAP are the best economic stimulus money can buy. But even if they were not, we would still have an obligation to support them--simply because it is the right thing to do.

Kerry: Finally, the Finance Committee package has been modified to include an additional \$1 billion for the Low-Income Home Energy Assistance Program--one of the most effective programs to help low-income Americans struggling with rising energy costs. According to economist Mark Zandi, an increase in LIHEAP funding should be part of a stimulus bill. Increased LIHEAP funding will eliminate the need for families to choose between food and energy costs--a choice no family should ever face.

Home heating prices in Massachusetts are 44 percent higher today than they were just 1 year ago, and thousands of families will have difficulties paying their heating bills this winter. Massachusetts families will be able to benefit by approximately \$22 million from this proposed increase in LIHEAP funding.

Mr. President, once again, I would like to thank Chairman Baucus for his efforts in developing this important stimulus package. I ask all my colleagues to support this amendment so that more seniors, small businesses, homeowners, and hard working families struggling to make ends meet can get the assistance they deserve

LIHEAP: February 5, 2008

DURBIN. LIHEAP is the Low-Income Home Energy Assistance Program. It is a program which provides help to Arizona, primarily in the summer months but to Kentucky in the cold winter months, so poor people, elderly, and others will have a helping hand to pay their heating bills.

Senator Bernie Sanders of Vermont has been a big leader on this issue. It has always been a bipartisan program.

So I have to ask Senator McConnell and the Republican leadership: Is this another one of those pet projects you cannot stand, something you think we should ignore when we talk about getting this economy on its feet? I think it is a matter that these Senators need to consider personally.

Do they want to go home to Kentucky, for example, and tell those low-income individuals, struggling to pay their heating bills, that is a pet project we cannot afford at this point? I hope not. But at least let them be on the record by the end of the day.

The interesting thing is we could be having a real full-scale debate on the economic stimulus bill, but the Republicans have refused. They have told us they need more time to absorb the page and a half that was added to this bill. They need to think this one through. They need to study these words.

In the face of these economic pressures, workers are struggling to keep their families warm. The winter has been bitterly cold in many parts of the country, and the cost of heating oil is rising so rapidly that it is impossible to keep up. Since last year alone, the price of a gallon of heating oil has increased by more than 40 percent.

Cardin: I thank the majority leader for adding one substantial change to the Finance package. He did that because there was bipartisan agreement. We have had Senators on both sides of the aisle urging that the package include help for LIHEAP, low-income energy assistance for families who can't afford their utility bills. The package will include some help for that group. There is consensus that we need to do that, but it is also part of the economic downturn, families who cannot afford and have to make the decision between food and energy.

This will help them a little bit. The money will get right back into the economy, helping to stimulate the economy and helping us make this downturn as brief as possible so we can grow our economy

LIHEAP - February 4, 2008

KLOBUCHAR. I believe the stimulus package should also include additional funding for LIHEAP. Working families in Minnesota and across the Nation should not have to choose between paying home heating bills and putting food on the table. Increasing LIHEAP funding to keep pace with the skyrocketing price of oil is essential to this stimulus package.

BOXER. I also want to add my voice of distress that we may be facing a slowdown here on the stimulus package.

We are in a recession in California. This isn't a recession ``maybe''; this is a recession in California. There are several States that already have begun a recession, a real recession, including a contraction in jobs, and a housing

crisis that has hit our State.

We can't wait. When the minority leader, the Republican leader, says: Oh, my goodness, LIHEAP was added to the package--of all people who understand this, it is the Presiding Officer. LIHEAP is a program that has been around for a very long time, and it is low-income energy assistance. To express shock that this would be added to a stimulus package or to say we need hours and hours of delay to study the impact of adding LIHEAP, it just strains credulity.

SANDERS. Let me begin by stating how dismayed I was by the budget President Bush has provided us today. Frankly, this budget is unconscionable and reflects priorities that are almost impossible to comprehend..... In the State of Vermont and through many parts of our country, Minnesota included, we have experienced extremely cold weather this winter. At the same time, as every American knows, the price of home heating oil has more than doubled, skyrocketed since President Bush has been in office.

The result is the LIHEAP program, the Low-Income Home Energy Assistance Program, which keeps millions of seniors and low-income households warm in the winter, is stretched to the breaking point. That is the reality. Cold winter, price of home heating oil soaring, the program is stretched.

In State after State, because of soaring fuel prices, either fewer people are able to access LIHEAP or the amount of help they are getting has been significantly reduced. That is simply the arithmetic of the situation: lower payments, fewer people. Those are the choices States have with reduced LIHEAP budgets.

I know President Bush has no problem, no problem whatsoever, with the fact that his good pals at ExxonMobil have announced the largest profits in the history of the world for the third consecutive year, over \$40 billion in profits in the year 2007. I am quite sure the President has no problem with that, and I understand that. He has no problem, apparently, with the fact that home heating oil prices are now at \$3.30 a gallon. I am sure he has no problems with the fact that a few years ago, the former CEO of ExxonMobil, a gentleman named Lee Raymond, received a \$400 million retirement package from that company. It is not a problem for the President of the United States. He is close to those people. As he once famously said: That is his base.

But despite the President's lack of concern about rising fuel costs, it is beyond comprehension that he would slash the LIHEAP program by \$570 million, a 22-percent reduction from last year. The price of home heating oil is soaring, more and more people are losing their LIHEAP benefits, and the President's response in the midst of this crisis is to slash the program. That is pretty cruel. What is a low-income senior living on Social Security supposed to do when the weather gets below zero and she cannot heat her home? That is the story today, and you propose to make it even worse next year.