

why it's
important
to support

LIHEAP



Low Income Home Energy Assistance Program

LIHEAP is one of the most critical components of the federal social safety net.

The program provides financial assistance for home heating and cooling, energy crisis intervention and low-cost weatherization to over 5 million low-income households, including the elderly, people with disabilities, families with young children, the working poor, and those making the difficult transition from welfare to work.

LIHEAP prevents people living in poverty and low-income elderly from choosing between buying fuel to heat or cool their homes and buying food and medicine for themselves and their families.

Since nearly all of the families receiving LIHEAP assistance have incomes below 150 percent of the federal poverty level, the program clearly helps the people who need help the most.

LIHEAP Program Faces Mounting Pressure

poverty rising
millions in poverty

2003: **35.9**
2002: 34.6
2001: 32.9

population aging
millions over 65

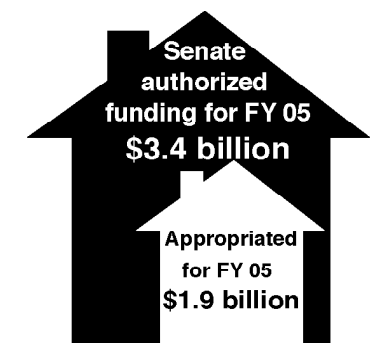
2003: **35.9**
2002: 35.6
2001: 35.3

heating costs rising
home heating oil costs per gallon

04/05: **\$1.82**
03/04: \$1.36
02/03: \$1.34

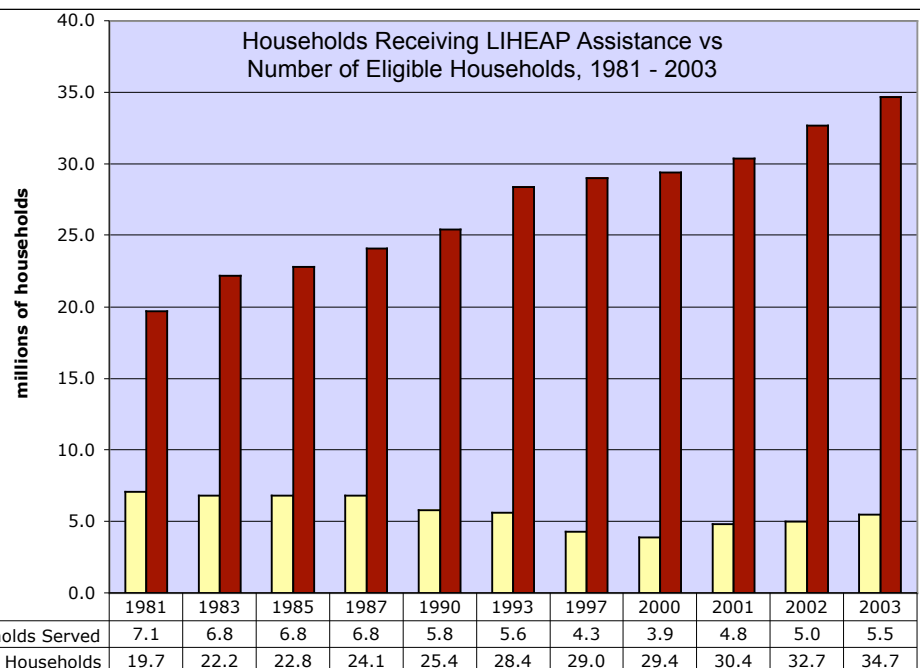
More funding needed for LIHEAP

For FY 05, the Senate authorized \$3.4 billion for the LIHEAP program. However, Congress only appropriated \$1.88 billion in regular funds and \$300 million in emergency funds. While this is a small increase from the FY 04 appropriation, it is only enough to serve 18 percent of the eligible population.



Number of Households Served by LIHEAP Struggles to Keep Pace with the Number of Eligible Households

Sources:
LIHEAP Report to Congress for FY01, table 2 and page 18, LIHEAP Home Energy Notebook for FY02, table 3-20, ACF/DHHS communication.
Data for FY 2003 subject to change.



Public Support for Heating Assistance Remains Strong Among Voters

Every three years, the Campaign for Home Energy Assistance surveys the American public to gauge its feelings about energy assistance programs. The survey results featured below are based on a random sample of 800 adult heads of household in the fifty states, completed via telephone between August 7 and August 20, 2002, and are compared with an identical telephone survey conducted in August 1999.

From what you read or hear, do you think it is more difficult, neither more nor less difficult, or less difficult for low income families to pay their heating and cooling bills today than it was five years ago?

<u>Paying Energy Bills Today</u>	<u>8/02</u>	<u>8/99</u>
More difficult	78%	67%
Less difficult	9%	11%
Neither more nor less difficult	6%	8%
DK/refused	7%	14%

Next, I'd like to ask you about the federally funded Low Income Home Energy Assistance Program, also known as LIHEAP. In general, do you favor or oppose the LIHEAP program to help poor, elderly, and low income families pay their energy bills during cold or hot weather emergencies?

<u>Support for LIHEAP</u>	<u>8/02</u>	<u>8/99</u>
Favor	89%	84%
Oppose	6%	8%
Unsure	5%	8%

In efforts to reduce the federal budget, funding for LIHEAP has been cut in half in recent years and some members of Congress have proposed that the LIHEAP program be cut further or even eliminated. Other members of Congress say LIHEAP has taken more than its fair share of budget cuts, serves only one of five people who need the assistance, and that it should have its funding increased to provide a safety net to help impoverished elderly and poor families meet their energy bills.

What do you think: should Congress substantially increase funding for the LIHEAP program, increase funding modestly, reduce funding further or should the program be eliminated altogether?

	<u>8/02</u>	<u>8/99</u>
Increase funding substantially	31%	28%
Increase modestly	<u>41%</u>	<u>40%</u>
NET INCREASE	72%	68%
No change in budget	6%	5%
Eliminate the program	5%	6%
Reduce funding	<u>4%</u>	<u>6%</u>
NET REDUCE	9%	12%
Not sure	13%	15%

Energy is a basic need, and energy affordability should be the cornerstone of any sound energy policy. LIHEAP provides heating and cooling assistance, energy crisis assistance and weatherization benefits to the most vulnerable households with low incomes and high energy costs. Without LIHEAP, many of these households would have to make the difficult choice between heating and eating — or making medical payments or even staying in their homes.

LIHEAP Helps the Most Vulnerable

LIHEAP heating and cooling benefits assisted the most vulnerable households, in particular those with at least one member who is elderly, a young child, or a person with disabilities.

	<u>HEATING</u>	<u>COOLING</u>
Elderly	32.0%	42.0%
Person with Disabilities	29.7%	35.9%
Young Child	22.4%	21.4%

Sources: LIHEAP Report to Congress for FY01, tables D-6 and D-7

LIHEAP Helps the Poorest

All of the households receiving LIHEAP assistance in FY01 in the United States were at or near poverty level.

	<u>HEATING</u>	<u>COOLING</u>
Under 75% of poverty level	42.1%	47.5%
75 – 100% of poverty level	29.1%	32.7%
101 – 125% of poverty level	16.3%	14.8%
126 – 150% of poverty level	8.0%	4.2%
Over 150% of poverty level	4.5%	0.8%

Sources: LIHEAP Report to Congress for FY01, tables D-1 and D-2

In the winter, during the peak heating season, residential energy bills can frequently reach up to 20 percent of the income for some low-income households. Experience has shown that pressures to pay energy bills — be it for heating in the winter or cooling in the summer — and the inability to pay have resulted in increased medical expenses for the elderly, malnutrition for infants, utility arrearages, shutoffs, and homelessness.

This fact sheet was created by the Campaign for Home Energy Assistance, a broad based coalition of advocates for the poor, consumer advocates and utilities that support LIHEAP. Among its members are the American Association of Blacks in Energy, American Public Human Services Association, American Public Power Association, Catholic Charities, Coalition to Keep Michigan Warm, Crisis Assistance Ministry, Energy Coordinating Agency of Philadelphia, Energy Outreach Colorado, Energy Services Inc., Massachusetts Energy Directors Association, National Association for State Community Services Programs, National Energy Assistance Directors' Association, National Fuel Funds Network, National Rural Electric Cooperative Association, Natural Gas Supply Association, Ohio Partners for Affordable Energy, The Heat and Warmth Fund, The Salvation Army, American Gas Association, American Petroleum Institute, Atmos Energy, Avista Corporation, Conectiv Power Delivery, Connecticut Light and Power Co., Dominion Resources, DTE Energy, Edison Electric Institute, Laclede Gas, NiSource, North American Insulation Manufacturers Association, Peoples Energy, PPL Corporation, PSEG, Salt River Project, SEMCO Energy, We Energies.

Each year the Campaign produces a LIHEAP Databook that provides a state-by-state snapshot of the LIHEAP program. The Databook for 2004 is viewable and downloadable at <http://www.liheap.org>. The Databook for 2005 will be available in early 2005 pending availability of federal LIHEAP reports.