

Resolution Supporting the Adequate Funding of the Low Income Home Energy Assistance Program (LIHEAP)

WHEREAS, The National Association of Regulatory Utility Commissioners (NARUC) recognizes adequate utility service to be a vital key to the health and safety of American households; *and*

WHEREAS, The recent hurricane season has had a devastating human and financial impact on the gulf States, energy supply and infrastructure which will have a nationwide impact on energy costs and supplies this winter; *and*

WHEREAS, NARUC acknowledges that it requires the combined resources and commitment of both the private and public sectors to meet the needs of less fortunate citizens in keeping warm this winter; *and*

WHEREAS, NARUC recognizes and commends the philanthropic actions of the private sector and religious organizations in offering assistance to low-income citizens to better cope with the expected record high home heating cost for this winter; *and*

WHEREAS, The Low Income Home Energy Assistance Program (LIHEAP) provides vital heating and cooling assistance to low-income families, including working poor households, senior citizens, and persons with disabilities; *and*

WHEREAS, LIHEAP is a targeted block grant program which provides built-in flexibility in Federal-State partnerships and is the foundation for many programs authorized by State public utility commissions to assist low-income customers to meet their bill payment obligations through direct assistance, arrearage forgiveness, and reduction of bills to more affordable levels, to prevent service terminations in winter as well as during heat emergencies, to make the transition from public assistance to economic self-reliance, to help working poor households remain economically self-sufficient, and to weatherize their homes, repair defective heating and cooling equipment, and reduce energy usage; *and*

WHEREAS, The severe constraints on State budgets and the increased strain on the nation's support system provided by nonprofit, faith-based, and other community organizations have limited the resources available for energy assistance; *and*

WHEREAS, The applications for energy assistance have increased from 2003 to 2004 by an estimated 5.3 percent based on preliminary applications, with more than five million households seeking assistance, the highest number in the past ten years; *and*

WHEREAS, A national survey of LIHEAP recipients conducted in 2005 by the National Energy Agency Director's Association (NEADA) found that 32 percent of families in the survey sacrificed medical care; 24 percent failed to make a rent or mortgage payment; 20 percent went without food for at least a day; *and* 44 percent said that they skipped paying or paid less than their home energy bill in the past year; *and*

WHEREAS, The Energy Information Administration's latest Short-Term Energy Outlook suggests that portions of the country are facing heating costs that have risen since last heating season by 32 percent for heating oil, 30 percent for propane prices, 48 percent for natural gas, and 11 percent for electricity; *and*

WHEREAS, While LIHEAP is currently funded at approximately \$2.1 billion, the percentage of federally eligible households LIHEAP can reach has declined from 36 percent in FY 1981 to 16 percent in FY 2004. Since its inception, LIHEAP's inflation-adjusted buying power has shrunk by 58 percent; *and*

WHEREAS, The National Fuel Funds Network and other organizations supporting increased LIHEAP funding have asked that LIHEAP funding be increased to \$5.1 billion in fiscal year 2006 in order to assist low-income consumers heat their homes in anticipation of expected record heating costs this winter; *and*

WHEREAS, Insufficient funding for LIHEAP will have a devastating effect on low-income consumers this winter and will undermine and threaten the continuation of a number of State initiatives that have relied on the LIHEAP program in the past to be the foundation for providing a modest amount of energy security for low-income Americans; *now therefore be it*

RESOLVED, That the National Association of Regulatory Utility Commissioners (NARUC), convened in its November 2005 Annual Convention in Indian Wells, California, urges the Congress to appropriate and the President to support LIHEAP funding of at least \$5.1 billion in the FY 2006 budget and an advanced appropriation of at least \$5.1 billion for FY2007; *and be it further*

RESOLVED, That NARUC supports a concerted effort by the Committees on Consumer Affairs, Electricity, and Gas to establish partnerships with targeted businesses, gas and electric utilities, and community-based social service organizations to develop a comprehensive national marketing and communications plan to highlight and promote LIHEAP and the continuing need for energy assistance.

Sponsored by the Committees on Consumer Affairs, Gas, Electricity and Energy, Resources and the Environment

Recommended by the NARUC Board of Directors November 15, 2005

Adopted by NARUC November 16, 2005