



N A R U C
National Association of Regulatory Utility Commissioners

March 26, 2014

The Honorable Harry Reid
Majority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable John A. Boehner
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Re: FY 2015 LIHEAP Funding Level

Dear Majority Leader Reid, Minority Leader McConnell, Speaker Boehner and Minority Leader Pelosi:

The National Association of Regulatory Utility Commissioners (NARUC) is very concerned about funding levels for the Low-Income Home Energy Assistance Program (LIHEAP). The President's FY 2015 budget proposal reduces LIHEAP funding by \$674.4 million dollars (from \$3.47 billion to \$2.87 billion). In the middle of a brutal winter, surging energy prices, and continued economic struggles for the Nation's most vulnerable, a reduction of 20 percent is, quite simply, unbearable.

NARUC genuinely appreciates your efforts last year that restored \$169 million to the total FY 2014 \$3.425 billion LIHEAP appropriation. However, since FY 2010, LIHEAP funding has declined by 30 percent (from \$5.1 billion in 2009 to \$3.47 billion in 2014) as energy prices continue to rise. Continued cuts to this vital program can only hurt the most vulnerable of your constituents. The majority of this assistance benefits the elderly, children, and our veterans. Now is not the time for another cut in this vital program – a cut that results in eliminating an additional 1.6 million households from the program.

On February 8, 2012, NARUC passed a resolution on LIHEAP funding (attached), urging the Administration to request and Congress to restore LIHEAP funding to FY 2009 levels by appropriating no less than \$5.1 billion. That two year-old request is just as relevant today as when it passed. We respectfully urge Congress restore the programs funding to the \$5.1 billion level.

If you have questions about NARUC's position or would like to discuss this issue further, please contact NARUC Legislative Directors Chris Mele (202) 898-2206, cmele@naruc.org, or Brian O'Hara at (202)898-2205, bohara@naruc.org.

Sincerely,

Colette D. Honorable
NARUC President

cc: Senate Appropriations Committee Chair Barbara Mikulski and Ranking Member Richard Shelby; House Appropriations Committee Chairman Harold Rogers and Ranking Member Nita Lowey

Resolution on LIHEAP Funding

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 need for energy assistance is growing rapidly during the current recession, at the same time that severe constraints on State budgets and the increased strain on the nation's support system provided by non-profit, faith-based, and other community organizations have limited the resources available for energy assistance; *and*

WHEREAS, Even though the number of households eligible for the program continues to exceed those receiving assistance, this funding has been a lifeline during the economic downturn and rising energy costs, helping to ensure that people do not have to choose between paying their energy bills and paying for food or medicine; *and*

WHEREAS, The Low-Income Home Energy Assistance Program (LIHEAP) is the main federal program that helps low-income households and seniors with their energy bills, providing vital assistance during both the cold winter and hot summer months; *and*

WHEREAS, The U.S. Census recently reported that 46.2 million people lived in poverty in 2010, the largest number in the 52 year history of published poverty estimates; *and*

WHEREAS, The increasing poverty rate, coupled with underfunding of energy assistance programs, could increase arrearages and service disconnections, causing electric and gas utilities to write off increasing levels of revenue due to consumers being unable to pay bills and leave families to resort to unsafe and life-threatening measures in lieu of utility services; *and*

WHEREAS, According to the National Energy Assistance Director's Association (NEADA), last year LIHEAP provided vital energy assistance to 8.9 million households, an increase of 54 percent since 2008; *and*

WHEREAS, The number of veteran households served by LIHEAP increased by more than 150 percent during the same period from about 700,000 in FY 2008 to 1.78 million in FY 2011, which represents an increase from 12 percent of total LIHEAP recipients to 20 percent since 2008; *and*

WHEREAS, The Administration's proposed \$2.5 billion cut (45 percent) to LIHEAP in its Fiscal Year 2012 budget threatened to reduce the overall number served by over 2 million households; *and*

WHEREAS, Congress was only able to restore funding in the FY 2012 appropriations to approximately \$3.5 billion, representing a significant cut from Fiscal Year 2011's appropriation of \$4.7 billion and less than FY 2010 funding of \$5.1 billion; *now, therefore be it*

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2012 Winter Committee Meetings in Washington, D.C., understands that Congress, the Administration, and our nation confront challenging fiscal decisions, and we recognize that we will need to work cooperatively to address our country's deficit in a manner that will promote job growth and economic recovery. However, we urge Congress to fund, and the Administration to request, the Low-Income Home Energy Assistance Program at \$5.1 billion.

*Sponsored by the Committees on Consumer Affairs and Gas
Adopted by the NARUC Board of Directors February 8, 2012*