

Resolution Regarding Federal Funding of the Low-Income Home Energy Assistance Program

WHEREAS, The Executive Committee of the National Association of Regulatory Utility Commissioners (NARUC), convened at its Winter Meeting in Washington, D.C. on March 4, 1993 adopted a Resolution calling for all commissions to actively support funding of the Low-Income Home Energy Assistance Program (LIHEAP) with no less than \$1.8 billion (as proposed by the President) for the July 1, 1994-June 30, 1995 program year; *and*

WHEREAS, NARUC, convened at its Annual Convention in New York City, in November, 1993 adopted a Resolution recommending that the Administration propose and the Congress adopt a LIHEAP budget of at least \$1.8 billion for fiscal year 1995 and reject any proposal for yet more LIHEAP funding reductions; *and*

WHEREAS, On February 7, 1994, President Clinton proposed his budget for fiscal year 1995 which included only \$730 million for LIHEAP, a 50% cut from the \$1.475 billion funding level during fiscal year 1994; *and*

WHEREAS, LIHEAP has already absorbed a substantial cut in funding as part of deficit reduction efforts. Since fiscal year 1985 when Federal funding was \$2.1 billion, funding has been reduced by one-third; *and*

WHEREAS, Congress and President Clinton have already recognized that the 1994 funding level of \$1.475 billion may be inadequate to meet the home heating needs of low-income Americans, as President Clinton released \$300 million from the Emergency LIHEAP Reserve on February 18, 1994 as authorized by Congress for distribution during fiscal year 1994; *and*

WHEREAS, Congress will soon begin consideration of the fiscal year 1995 budget; *and*

WHEREAS, Poor Americans face a continuing energy crisis; *and*

WHEREAS, The Federally funded Low-Income Home Energy Assistance Program (LIHEAP) provides cash grants to low-income households and can significantly ease the home energy affordability crisis faced by millions of Americans; *and*

WHEREAS, Poor Americans already pay a much greater portion of their limited incomes for utilities that do those with higher incomes, and many face termination of utility service because they cannot pay their bills; *and*

WHEREAS, Many low-income Americans do not have sufficient income to pay for the basic necessities of life and are experiencing a crisis in paying home energy bills, thereby contributing to a health and safety crisis which is a national, not a local crisis; *and*

WHEREAS, LIHEAP is the foundation for the programs of many State Public Utility Commissions and many gas and electric utility companies and community based service organizations which assist low-income customers:

*to meet their bill payment obligations through cash grants, arrearage forgiveness, and/or reduction of bills to more affordable amounts;

*to weatherize home and reduce usage;

*to repair defective heating equipment;

*to prevent service terminations in winter as well as during heat emergencies; *and*

WHEREAS, Further reductions in LIHEAP funding will threaten the continuation of a number of State initiatives that have relied on LIHEAP to be the foundation for providing some energy security for poor Americans; *now, therefore, be it*

RESOLVED, That the Executive Committee of the National Association of Regulatory Utility Commissioners (NARUC), convened at its 1994 Winter Meetings in Washington, D.C., urges Congress to reject any cuts in LIHEAP and to adopt a LIHEAP budget of at least \$1.8 billion for fiscal year 1995.

Sponsored by the Committees on Electricity, Energy Conservation, Finance & Technology, and Gas

Adopted March 2, 1994