

Resolution of NARUC to Support the Adequate Funding of the Low Income Energy Assistance Program (LIHEAP)

WHEREAS, The National Association of Regulatory Utility Commissioners (NARUC) recognizes affordable utility service to be a necessity, key to the health and safety of American households; 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, An estimated 4.6 million families received LIHEAP assistance in FY 2002 and the requests for assistance have increased substantially this year; and

WHEREAS, 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 in:

- Meeting their bill payment obligations through direct assistance, arrearage forgiveness, and reduction of bills to more affordable levels,
- Preventing service terminations in winter as well as during heat emergencies,
- Making the transition from public assistance to economic self-reliance,
- Helping working poor households remain economically self-sufficient,
- Weatherizing their homes, repairing defective heating

equipment, and reducing energy usage; and

WHEREAS, When LIHEAP funding is often not determined by Congress until close to, or even after, the winter heating season has begun, and when State and local LIHEAP administrators are unable to plan in advance for the basic level of LIHEAP funds needed in the upcoming year, State and local LIHEAP administrators face difficulties in ensuring that adequate assistance is provided; and

WHEREAS, Congress funded LIHEAP at the level of \$1.8 billion in FY 2002 including \$100 million in emergency funds released by the President, and authorized an additional \$500 million in emergency contingency funds that were not released; and

WHEREAS, In the second session of the 107th Congress, both the House and Senate recognized the need for substantial increases in funding for the LIHEAP program when they passed energy policy legislation. The conference committee authorized \$3 billion in appropriations each year through 2005, however the conference committee did not complete action on the bill before Congress adjourned; and

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

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC), convened in its February 2003 Winter Meetings in Washington D.C., supports continued funding and advance appropriation for LIHEAP; and be it further

RESOLVED, That NARUC urges the Congress to appropriate LIHEAP funding of at least \$3 billion for FY 2004 and an advance appropriation for FY 2005 of at least \$3 billion; and be it further

RESOLVED, That NARUC also urges the Congress to appropriate such funding prior to the commencement of the winter heating season.

Sponsored by the Consumer Affairs Committee

Adopted by the NARUC Board of Directors February 26, 2003