

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, and 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, LIHEAP provides vital heating and cooling assistance to low-income families, including working poor households, senior citizens, and persons with disabilities; *and*

WHEREAS, In Fiscal Year 2006, LIHEAP received a record level of funding at \$3.2 billion, of which \$1 billion was supplemental emergency appropriations; *and*

WHEREAS, The aggregate \$3.2 billion funding level in 2006, which was substantially less than the fully authorized LIHEAP appropriation level of \$5.1 billion, allowed assistance to go to 5.8 million households, an increase of 600,000 compared to the previous year; *and*

WHEREAS, Last year LIHEAP helped many families manage home-heating bills that averaged 20 percent higher than the winter before, despite weather that was nine percent warmer than normal; *and*

WHEREAS, Only 15 percent of the 38 million eligible low-income households received federal aid through LIHEAP in 2006 because of the persistent gap between available funds and the number of households that qualify for assistance; *and*

WHEREAS, The total number of households receiving heating assistance has increased by 12% to almost 5.8 million households, the highest number in 13 years, while the number expected to receive cooling assistance is expected to jump to 594,441 -- 88.6% higher than last year's level of 279,036 and the highest level in the history of the program; *and*

WHEREAS, Public Utility Commissioners are the first line of communication to consumers, and we witness daily the merits of the LIHEAP program first hand; *and*

WHEREAS, Insufficient funding for LIHEAP will have a devastating effect on seniors, the disabled and low-income families with small children, making the burden of paying energy bills virtually impossible; *and*

WHEREAS, The President's Fiscal Year 2008 proposed budget proposes the lowest funding level for LIHEAP since the 1990s, requesting only \$1.782 billion for LIHEAP

(\$1.5 billion in regular funding and \$278 million in emergency funding), representing a 25% cut from Fiscal Year 2007 and not even in the same realm as Fiscal Year 2006's record funding level of \$3.2 billion; *and*

WHEREAS, LIHEAP is a targeted block grant program that 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 equipment, and reduce energy usage; *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, convened at its February 2007 Winter Meetings in Washington, D.C., urges Congress to appropriate LIHEAP funding for Fiscal Year 2007 of no less than \$3.2 billion dollars, and to appropriate LIHEAP funding for Fiscal Year 2008 at its fully authorized level of \$5.1 billion.

*Sponsored by the Committees on Consumers Affairs, Gas, and Electricity
Adopted by NARUC Board of Directors February 21, 2007*