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