

Resolution on LIHEAP Funding

WHEREAS, The National Association of Regulatory 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, Low-Income Home Energy Assistance Program (LIHEAP) provides vital heating and cooling assistance to low-income families, including working poor households, senior citizens, and persons with disabilities; *and*

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

WHEREAS, The cost of home heating is projected, by the U.S. Energy Information Administration, to increase from \$889 last winter to \$989 this winter, and cost of delivered fuels is expected to reach record levels; *and*

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

WHEREAS, The total number of households receiving heating assistance has increased by 12% to almost 5.8 million households in FY 2006 and FY 2007, the highest number in 13 years, while the number receiving cooling assistance increased to 594,441 -- 88.6% higher than the FY 2005 year's level of 279,036 and the highest level in the history of the program; *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 household compared to the previous year, as well as increased the average grant from \$348 to \$448; *and*

WHEREAS, The FY 2007 appropriation of \$2.186 billion and the FY 2008 appropriation level of \$2.57 billion resulted in reduction in the average share of home heating costs from 47.4% in FY 2006 to 36.3% in FY 2008; *and*

WHEREAS, The President's FY 2009 proposed budget would reduce the program's funding level by 22% from the FY 2008 funding level \$2.57 billion and 37% below the FY 2006 level, requesting only \$2 billion for LIHEAP (\$1.7 billion in regular funding and \$300 million in emergency funding); *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, 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 in its 2008 Winter Meetings in Washington, D.C., urges Congress to appropriate LIHEAP funding for Fiscal Year 2009 of no less than its fully authorized \$5.1 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 20, 2008