

# Low Income Home Energy Assistance Program

- Block grant, established in **1981**
- Bipartisan Support
- Congress appropriates funds annually
  - Not an entitlement program
- Normal federal funding for LIHEAP is about \$3.7 billion – enough to serve 6 million households.



*The mission of LIHEAP is to assist low income households, particularly those with the lowest incomes that pay a high proportion of household income for home energy, to help meet their immediate home energy needs.*

One out of three  
households helped by LIHEAP went  
without food for at least one day in  
the past year.

LIHEAP helps keep our most  
vulnerable neighbors safe.

#ProtectLIHEAP

Source: 2018 National Energy Assistance Survey



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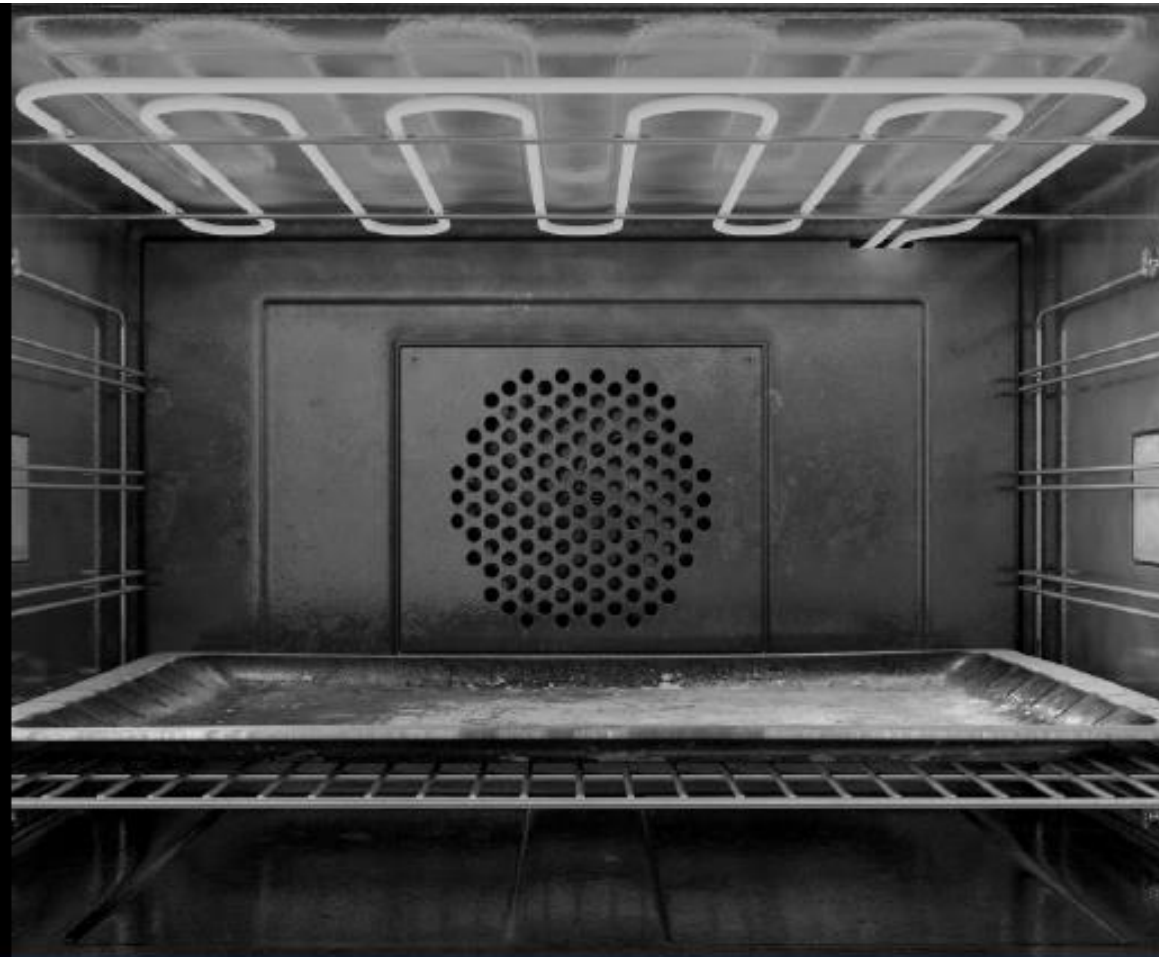
# Three out of ten

households receiving LIHEAP used their kitchen stove or oven to provide heat.

LIHEAP helps keep our neighbors safe and warm in their homes.

#ProtectLIHEAP

Source: 2018 National Energy Assistance Survey



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# Data makes the go 'round

- The \$900 million in supplemental funds provided for LIHEAP in the CARES Act are now **fully obligated**, and have been able to reach only a fraction of those households that need support
- Reflecting the rapidly changing conditions, NEADA estimates that **15 to 20 percent of residential customers are at least 60 days behind on their utility bills**
- More than 1/4 of those who lost jobs during the COVID-19 crisis reported **skipping or needing to skip a utility bill payment**
- Electric and natural gas arrearages were expected to reach **\$32 billion** by the end of 2020, based on an analysis by The National Energy Assistance Directors Association (NEADA)



128 times.



# Data makes the go 'round

- More than **45 million Americans** filed for unemployment during **the crisis**, many of whom remain unemployed or under-employed and are now eligible for LIHEAP
- In some states, **1 in 3 households** is behind on utility bills
- 22% of utility customers reported that they had **reduced or put off expenses for basic needs like medicine and food** in order to pay their utility bills
- More than **60% of U.S. K-12 schools** reopened **virtually** for the 2020-2021 school year, underscoring the importance of energy affordability to education access for millions of children
- **42% of the U.S. labor force** is working from home **fulltime**, with many others suffering job loss or reduction of hours. Access to power is critical to maintaining work for the remaining household member(s)

# Shutoff Moratoria

*According to the National Energy Assistance Directors Association (NEADA)*

- 43 states and DC currently have mandatory shutoff moratoria in place

<https://neada.org/wintercovid19moratoriums/>

- Patchwork of voluntary moratoria
- Challenge: Customers are still responsible for the bill

# Request

- \$10 billion in supplemental LIHEAP funds
  - **50% for arrearages:** pay off energy debt for 4 million households (source: NEADA)
  - **50% for current bills:** help 7.7 million households stay current on their bills between now and September 30<sup>th</sup> (source: NEADA)
- *\$4.5 billion for LIHEAP proposed by House*

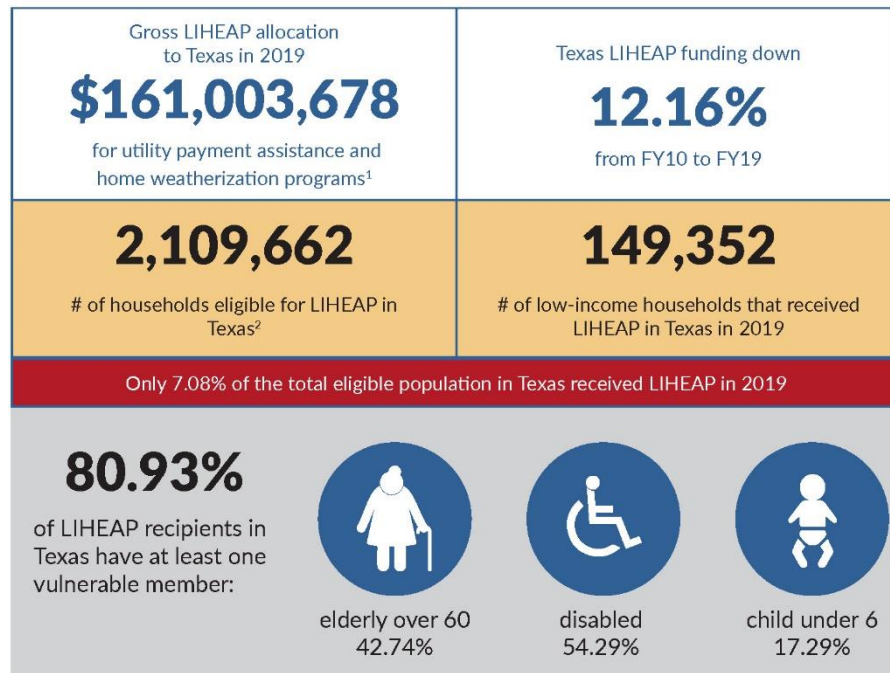


# Find your state LIHEAP info sheet



## PROTECT LIHEAP IN 2021

### Texas By the Numbers



Federal home heating/cooling assistance saves Texas lives.

NEUAC urges Congress to protect LIHEAP funding for FY21.

[www.neuac.org](http://www.neuac.org)

#### Why Protect LIHEAP Funding?

The Low-Income Home Energy Assistance Program (LIHEAP) provides critical home heating and cooling help to millions of vulnerable American families. LIHEAP funding peaked when Congress appropriated \$5.1 billion for the program in FY09 and FY10. Since then, funding has fallen by more than one-third. Because of these cuts, one million fewer eligible households receive energy assistance, and average individual grants have been reduced.<sup>3</sup>

#### LIHEAP is not an entitlement.

Unlike entitlement programs, LIHEAP is funded by the annual congressional appropriations process. While states set eligibility rates, federal statute limits household income to a maximum of 150 percent of the federal poverty guideline, or 60 percent of the state median income. For example, 150 percent of the FY20 poverty guideline for a family of three is \$31,995.<sup>4</sup> Most LIHEAP recipients earn much less than the maximum thresholds: the latest data show that a typical LIHEAP recipient household had a median income of 83.5 percent of the federal poverty guideline.<sup>5</sup>

#### The need for LIHEAP remains high.

In 2018, the national poverty rate was 11.5 percent, and 38.1 million Americans lived in poverty.<sup>6</sup>

#### LIHEAP prioritizes vulnerable households.

More than 90 percent of LIHEAP recipient households have at least one vulnerable person - a senior aged 60 or older, a child aged 18 or under, or an individual with a disability.<sup>7</sup>

#### LIHEAP makes the difference.

The Federal Reserve found that nearly half of American families would struggle to pay for an emergency expense costing \$400.<sup>8</sup> LIHEAP frequently meets those exact short-term emergencies and can be the difference between making ends meet or not.

#### Protect LIHEAP.

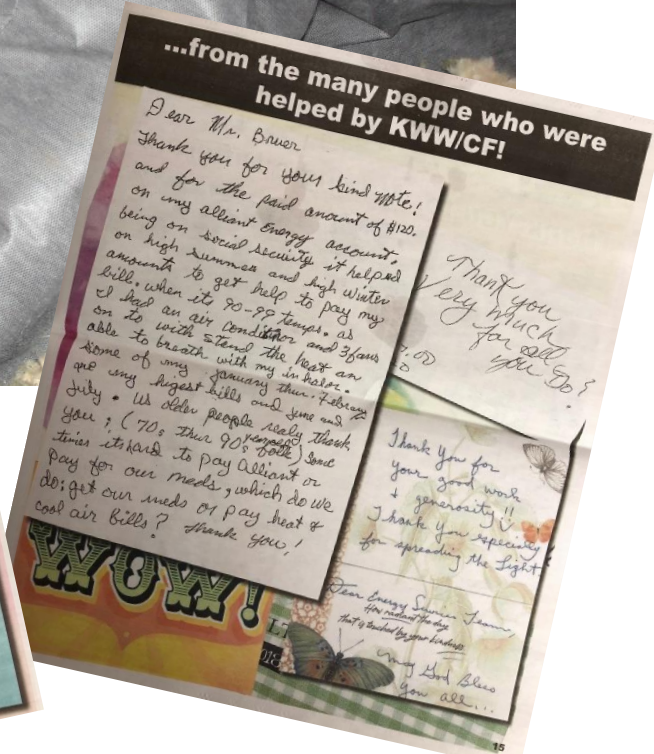
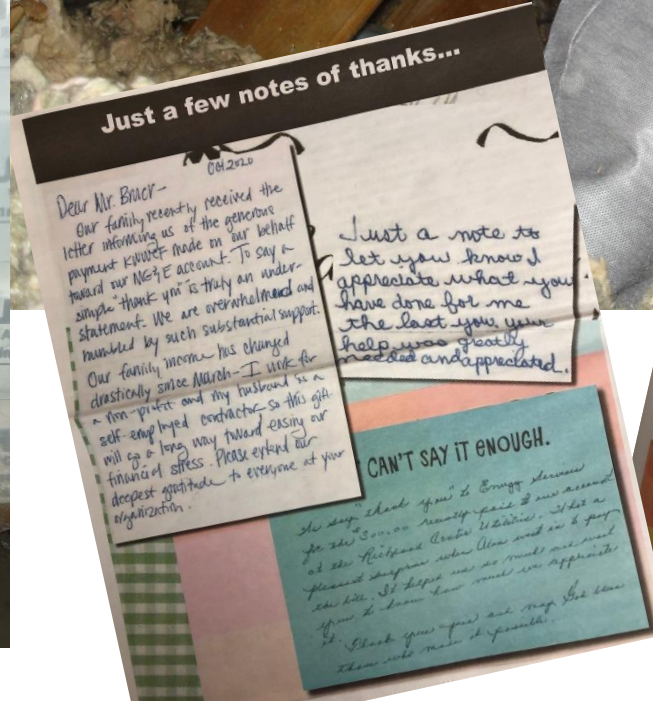
##### Sources

1. FY10-19 Data, HHS; \*FY2019 reflects preliminary data pending final data validation
2. Eligible households, households served and vulnerable household statistics supplied from state reports and are preliminary for FY2019
3. NEADA Purchasing Power Table
4. <https://liheapdci.hhs.gov/tables/POP.htm>
5. HHS FY2017 Budget Justification [https://www.ehhs.gov/sites/default/files/olab/final\\_cj\\_2017\\_print.pdf](https://www.ehhs.gov/sites/default/files/olab/final_cj_2017_print.pdf)
6. US Census Bureau: <https://www.census.gov/library/publications/2019/demo/p60-266.html>
7. <https://neada.org/program-policy-reports/liheapsurvey/>
8. "Report on the Economic Well-Being of U.S. Households in 2015" <https://www.federalreserve.gov/2015-report-economic-well-being-us-households-201605.pdf>

<http://neuac.org/liheap-state-by-state-metrics/>



# LIHEAP Photos from the Front Lines...



# Questions?



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