



OFFICE OF THE ATTORNEY GENERAL
STATE OF ILLINOIS

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ATTORNEY GENERAL

July 31, 2017

The Honorable Thad Cochran
Chairman
U.S. Senate Committee on Appropriations
113 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Patrick Leahy
Vice Chairman
U.S. Senate Committee on Appropriations
437 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Roy Blunt
Chairman
U.S. Senate Committee on Appropriations
Subcommittee on Labor, Health & Human
Services, Education, and Related Agencies
260 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Patty Murray
Ranking Member
U.S. Senate Committee on Appropriations
Subcommittee on Labor, Health & Human
Services, Education, and Related Agencies
154 Russell Senate Office Building
Washington, D.C. 20510

**RE: Support for Low Income Home Energy Assistance Program (LIHEAP) and the
Weatherization Assistance Program (WAP)**

Dear Chairman Cochran, Vice Chairman Leahy, Chairman Blunt, and Ranking Member Murray:

The undersigned state attorneys general and state consumer advocate agencies write to convey the importance of the Low Income Home Energy Assistance Program (LIHEAP) and the Weatherization Assistance Program (WAP) to our states, and to express our opposition to eliminating or reducing their funding within the U.S. Department of Health and Human Service's Office of Community Services budget. For the reasons discussed below, we urge all members of Congress to not only preserve but also expand LIHEAP funding in the 2018 federal budget.

Since 1981, LIHEAP has helped millions of vulnerable residents retain essential utility service, thereby protecting public health and safety, reducing homelessness and ensuring the stability of utility revenues. In Fiscal Year ("FY") 2017 alone, it is expected that approximately 6.1 million households nationwide will receive heating and cooling assistance through LIHEAP.¹

¹ National Energy Assistance Directors' Association, *Key Points: Low Income Home Energy Assistance Program*, March 29, 2017, <http://neada.org/wp-content/uploads/2017/04/NEADALIHEAPTalkingPoints.pdf>.

The program operates in every state and the District of Columbia, as well as on most tribal reservations and U.S. territories.

LIHEAP funds are sent to the states based primarily on a distribution formula that accounts for each state's weather, fuel prices, and low-income population. The program assists recipients by paying utilities for heating and/or cooling costs, with up to 15% of funding for weatherization assistance. Participation is limited to persons whose incomes fall at or below 150% of the federal poverty level. According to the latest data available, of the LIHEAP recipient households in FY 2014, 83% had incomes of less than 125% of the federal poverty level and 68% had incomes below 100% of the federal poverty level.²

Rather than delivering cash payments to qualifying individuals, LIHEAP dollars are sent directly to utilities by the states' LIHEAP distribution network to reduce eligible customers' arrearages and prevent dangerous disconnections. Thus, the impact of LIHEAP funding is two-fold: it assists vulnerable customers in retaining utility service and helps utilities control bad debt, which keeps utility rates lower for all customers. These benefits are certain and quantifiable.

Annual distributions of LIHEAP funds specifically prioritize seniors and families with small children. In FY 2014, 74% of recipient households had at least one member who was elderly or disabled, or had a child under the age of six.³ Without this vital assistance, many of these families would be faced with the impossible choice of opting between heating and cooling their homes, and paying for other necessities, such as food and medications.

The LIHEAP program serves these households well. Preliminary data for FY 2016 indicates that LIHEAP programs in just 36 states prevented utility disconnection for 1,013,683 households, 28.2% of the total households served in those states, who were at immediate risk of losing energy services.⁴ In addition, the program is estimated to have restored energy services for 235,716 families, approximately 6.6% of the total households served in those states, who had already been disconnected from utility service, run out of delivered fuels or had energy equipment in need of repair or replacement.⁵

Funding for FY 2017 does not come close to meeting the extraordinary need for these funds. Only 19% of eligible households are expected to be served.⁶ Indeed, since 2010, congressional funding for LIHEAP has fallen by more than a third.⁷ This decrease in funding

² U.S. Department of Health and Human Services, "Households Assisted by Fiscal Year by Poverty Level, 2014," https://liheappm.acf.hhs.gov/data_warehouse/index.php?report=households.

³ U.S. Department of Health and Human Services, "Assisted Households with Vulnerable Populations, 2014," https://liheappm.acf.hhs.gov/data_warehouse/index.php?report=households&tab=3.

⁴ National Energy Assistance Directors' Association, *Key Points: Low Income Home Energy Assistance Program*, March 29, 2017, <http://neada.org/wp-content/uploads/2017/04/NEADALIHEAPTalkingPoints.pdf>.

⁵ *Id.*

⁶ *Id.*

⁷ *Compare* U.S. Department of Health and Human Services, Administration for Children and Families, "Low Income Home Energy Assistance Program: Report to Congress for Fiscal Year 2010," i, June 5, 2015, available at https://www.acf.hhs.gov/sites/default/files/ocs/fy10_liheap_rtc_final.pdf (noting that appropriations for FY 2010 were \$5.1 billion) *with* U.S. Department of Health and Human Services, Administration for Children & Families,

has resulted in more than two million fewer eligible households receiving critical energy assistance, with average individual grants significantly reduced.⁸ Rather than eliminate LIHEAP funding, we urge you to restore and increase LIHEAP funding, so that fewer families are literally left out in the cold.

Likewise, the Weatherization Assistance Program has over 40 years of success in reducing the burden of energy prices for low-income households through the installation of energy efficient measures, having served 7 million households.⁹ It is estimated that WAP has helped low-income households reduce their total energy expenditures by 23 percent per year, with participating households able to allocate scarce resources for other necessities.¹⁰ In addition, the WAP program has helped to develop an energy efficiency industry for low-income housing that includes workers who weatherize low-income homes, energy auditors, and companies that help low-income families increase their energy efficiency through low-cost measures.

LIHEAP and WAP funds have provided a critical lifeline to customers who struggle each month to pay for life's necessities by assisting them to remain connected to essential utility services. We strongly urge you to oppose any measure that would reduce or eliminate funding for these critical programs, and instead increase these essential and cost-effective services. Thank you for your attention to this critical matter.

Sincerely,

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“LIHEAP Fact Sheet,” March 16, 2017, <https://www.acf.hhs.gov/ocs/resource/liheap-fact-sheet-0> (noting that appropriations for FY 2016 were \$3.39 billion).

⁸ *Id.* at v (noting that approximately 8.2 million households received heating and cooling assistance in FY 2010, compared to the anticipated 6.1 million for FY 2017).

⁹ See United States Department of Energy, “Weatherization Assistance Program,” <https://energy.gov/eere/wipo/weatherization-assistance-program-1> (last visited July 24, 2017).

¹⁰ Weatherization Assistance Program Technical Assistance Center (WAPTAC), “Weatherization Works” updated July 2008 and WAP Overview citing ORNL/CON-493, ORNL/Con-484, EIA Feb.2008 STEO.

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