NEUAC statement on Administration’s FY18 budget calling for the elimination of the Low-Income Home Energy Assistance Program (LIHEAP)

As expected, the Administration’s FY18 budget calls for the elimination of the Low-Income Home Energy Assistance Program (LIHEAP), a program dedicated to reducing the energy burden and addressing energy crises for America’s vulnerable and limited income families. More than 6 million households are provided with assistance each year by LIHEAP, which protects families from the effects of dangerous indoor temperatures by providing utility crisis assistance and energy efficiency programs like weatherization to improve home performance.

Jennifer from California, a LIHEAP recipient, told her story on www.saveLIHEAP.org. Her family was struggling to stay afloat financially when hit with unexpected expenses for car repairs, leaving them in a desperate situation. LIHEAP provided a lifeline for the family, making it possible for them to retain their heat and their dignity.

“Without LIHEAP my family would not have had heat in the home. Please save the program," she wrote.

The Administration’s budget maintains that the program is being eliminated partly because of concerns about fraud. The Major Savings and Reforms (page 41) portion of the budget cites a report released seven years ago:

LIHEAP is a Federal program that has been known to have sizeable fraud and abuse, leading to program integrity concerns. Specifically, a 2010 Government Accountability Office (GAO) study concluded that the program lacked proper oversight, which resulted in significant improper payments.

The document goes on to state that since the report, states have taken steps to work towards improving the verification of identify and income. However, it still recommends elimination of the program.

The budget also states that the program is no longer necessary because states have devised disconnect policies to protect constituents against energy concerns, including moratoriums on disconnect during specific months or other climate- or date-centric restrictions.

This view suggests that the costs of arrearages for families who are unable to afford to heat or cool their homes should be redirected somewhere other than the federal government. The Administration is passing the responsibility for solving home energy crises to states, local entities, churches, local charities and, potentially, other ratepayers. It also thrusts the financial responsibility on to the poor themselves, who have the least amount of resources to address the issue. In fact, this is a budget that would make all
families more vulnerable, especially those in poverty and the millions more that are only one major crisis away from needing assistance.

Energy is a life-critical resource. NEUAC encourages mobilizing as supporters of LIHEAP to ensure the continuation of the safety net for those who struggle and sacrifice to pay their heating and cooling bills. LIHEAP is the singular federal program dedicated to reducing the energy burden of low-income families and is uniquely positioned as a flexible block grant to address energy specific needs on a state and local level.

LIHEAP also is a highly effective program that helps to preserve the dignity of those living in poverty and assure access to basic energy resources for all Americans.

For more personal stories from LIHEAP customers, state level LIHEAP data and other resources, visit www.saveLIHEAP.org. For questions on LIHEAP or NEUAC, please contact Executive Director Katrina Metzler at 571-527-4616 or kmetzler@neuac.org.

The National Energy & Utility Affordability Coalition (NEUAC), a 501 (c) (3) nonprofit organization, was formed as a broad-based coalition of diverse member organizations and individuals. We work to highlight the energy needs of low-income households and advocate for policies and programs to help reduce their energy burdens. To learn more, visit www.neuac.org or www.saveLIHEAP.org.