LIHEAP TALKING POINTS

Escalating Need for Energy Assistance in the Time of COVID-19

The Low-Income Home Energy Assistance Program (LIHEAP) is a critical, life-saving program that targets and serves the most vulnerable — older Americans, individuals with disabilities, and children. The majority of these families and individuals survive on less than $20,000 per year; many are on a fixed income. Their pay does not increase when the cost of heating and cooling their homes increases. Living at the lowest levels of poverty, recipients of these funds make choices every day between food, medicine, or utilities – choices that have been exacerbated by COVID-19.

LIHEAP helps to stabilize families and protects people from dying of exposure in their own homes in the winter, keeps electricity flowing to life-saving equipment for those with medical needs, and helps ensure that children do not have to complete their homework in the dark. It can prevent disconnection of service, help families maintain their housing, and restore dignity by helping customers pay bills in full and on time.

LIHEAP During a Pandemic

- More than 1/4 of those who lost jobs during the COVID-19 crisis reported skipping or needing to skip a utility bill payment
- A 1% increase in the unemployment rate is associated with a 13% increase in the likelihood of experiencing bill hardship and a 16% increase in the probability of having one’s utilities disconnected
- Millions of Americans have filed for unemployment since the start of this crisis, many of whom are now eligible for LIHEAP. Key protections including expansion of unemployment benefits have expired, leaving households more vulnerable to utility debt
- Arrearages are piling up during the crisis. A surge in unemployment, combined with the effects of suspending disconnections, is expected to increase balances of unpaid bills to $2.6 billion through 2022 at co-op utilities
- 34.5 million households will lose shutoff protections by October 1, 2020, leaving 9.5 million unemployed at risk of losing utility service
- In some states, about 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, meaning millions of children would be left without access to education if their power is shut off
- 42% of the U.S. labor force is now 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)

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Facts About LIHEAP

- According to the National Energy Assistance Survey of LIHEAP recipient households in 2018,
  - 9 out of 10 households have a person vulnerable to temperature extremes because of age or disability - the same persons most vulnerable to serious complications from COVID-19 according to the Centers for Disease Control
  - 1 in 3 households have a child younger than 18
  - 1 in 3 households report that they went without food for at least one day in the past year.
  - 3 out of 10 households reported using their kitchen stove to heat their home at least once in the past year. LIHEAP can help families avoid dangerous practices like this in the winter season
  - 1 in 4 households could not afford to fix or replace the broken furnace or cooling system in their home. LIHEAP can help repair and replace broken systems, keeping homes temperate, safe, and energy efficient as families are forced to shelter in place

- The economic repercussions of the pandemic will be felt deep into the winter months and beyond, especially since recovery takes longer or never reaches those at LIHEAP eligibility levels

How You Can Help

You can support LIHEAP by appropriating at least $4.5 billion in the next relief bill. The funding would help both newly eligible households affected by the impacts of COVID-19 and vulnerable families traditionally served by LIHEAP whose poverty conditions have been exacerbated by the pandemic.

Questions? Email info@neuac.org

NEUAC is a leader in the fields of public policy, advocacy, energy and poverty issues. NEUAC currently serves more than 200 member organizations that span the nation, providing tools to advocate for LIHEAP and other funding to support low-income families. The organization bridges the gap between states, social service organizations, and government to empower them to work together and learn from each other in times of energy and poverty crisis.

Sources
2. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3874280/