



NATIONAL ENERGY & UTILITY AFFORDABILITY COALITION

# MAXIMIZE LIHEAP FUNDING IN 2022

## Minnesota By the Numbers

<p>Gross LIHEAP allocation to Minnesota in 2020</p> <p><b>\$117,873,568</b></p> <p>for utility payment assistance and home weatherization programs<sup>1</sup></p>	<p>Minnesota LIHEAP funding down</p> <p><b>18.44%</b></p> <p>from FY10 to FY20</p>
<p><b>607,152</b></p> <p># of households eligible for LIHEAP in Minnesota<sup>2</sup></p>	<p><b>117,283</b></p> <p># of low-income households that received LIHEAP in Minnesota in 2020</p>

Only 19.32% of the total eligible population in Minnesota received LIHEAP in 2020

### 77.62%

of LIHEAP recipients in Minnesota have at least one vulnerable member:



elderly over 60  
41.65%



disabled  
42.25%



child under 6  
19.36%

**Federal home heating/cooling assistance saves Minnesota lives.**

**NEUAC urges Congress to maximize LIHEAP funding for FY22.**

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

## Why Maximize 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 FY21 poverty guideline for a family of three is \$32,580.<sup>4</sup> Most LIHEAP recipients earn much less than the maximum thresholds: data show that 82 percent of households served by LIHEAP had an annual household income below \$20,000.<sup>5</sup>

### **The need for LIHEAP remains high.**

In 2019, the national poverty rate was 10.5 percent, and 34 million Americans lived in poverty.<sup>6</sup>

More than 1/4 of those who lost jobs during the COVID-19 crisis reported skipping or needing to skip a utility bill payment.<sup>7</sup>

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.<sup>8</sup>

### **LIHEAP prioritizes vulnerable households, many of whom are also high risk for COVID-19.**

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>5</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>9</sup> LIHEAP frequently meets those exact short-term emergencies and can be the difference between making ends meet or not.

## Maximize LIHEAP Funding in FY22.

### Sources

1. FY10-20 Data, HHS; \*FY2020 reflects preliminary data pending final data validation
2. Eligible households, households served and vulnerable household statistics supplied from state reports and are preliminary for FY2020. Eligible households calculated using the federal standard for all states.
3. NEADA Purchasing Power Table
4. <https://www.acf.hhs.gov/ocs/policy-guidance/liheap-im-2020-01-hhs-poverty-guidelines-optional-use-ffy-2020-and-mandatory>
5. <https://neada.org/program-policy-reports/liheapsurvey/>
6. <https://www.census.gov/library/publications/2020/demo/p60-270.html>
7. [http://mydocs.epri.com/Docs/public/covid19/COVID-19\\_survey\\_report.pdf](http://mydocs.epri.com/Docs/public/covid19/COVID-19_survey_report.pdf)
8. <https://theconversation.com/energy-is-a-basic-need-and-many-americans-are-struggling-to-afford-it-in-the-covid-19-recession-140416>
9. <https://www.federalreserve.gov/2015-report-economic-well-being-us-households-201605.pdf>