



NATIONAL ENERGY & UTILITY AFFORDABILITY COALITION

MAXIMIZE LIHEAP FUNDING IN 2024

Minnesota by the Numbers¹

\$125,591,309

LIHEAP and CARES Act funds
for Minnesota in 2021²

18.66%

of the eligible population in Minnesota
received LIHEAP in 2021

623,566

of households eligible for
LIHEAP in Minnesota³

116,336

of low-income households that received
LIHEAP in Minnesota in 2021

Vulnerable Households Served by LIHEAP in 2021

77.93%

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



elderly over 60
42.36%



disabled
47.20%



child under 6
18.46%

Federal home heating/cooling assistance saves Minnesota lives.

NEUAC urges Congress to maximize LIHEAP funding for FY24.

www.neuac.org

Why Maximize LIHEAP Funding?

The Low Income Home Energy Assistance Program (LIHEAP) is a critical, life-saving program that targets and serves the most vulnerable households, including older Americans, individuals with disabilities, and families with young children. Many rely on fixed monthly incomes, meaning that their pay does not increase when the cost of heating and cooling their homes increases. LIHEAP recipients make heartbreaking choices every day between food, medicine, or utilities.

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 FY23 poverty guideline for a family of three is \$34,545.⁴ Most LIHEAP recipients earn much less: data show that 82 percent of households served by LIHEAP had an annual household income below \$20,000.⁵

The need for LIHEAP remains high.

In 2021, the national poverty rate was 11.6 percent – 37.9 million people lived in poverty, and the rate increased among the elderly.⁶ The Federal Reserve found that 32 percent of Americans would struggle to pay a \$400 emergency expense. That risk is even greater for low-income households; half of those with household income less than \$25,000 had, or were close to having, difficulty paying bills that month.⁷ During the pandemic, 22% of utility customers reported reducing or putting off expenses for basic needs like medicine and food in order to pay their utility bills.⁸

LIHEAP prioritizes vulnerable households.

More than 90 percent of LIHEAP recipient households have at least one vulnerable person – an adult aged 60 or older, a child aged 18 or under, or an individual with a disability.⁵ The Census Bureau estimated that energy assistance lifted 27,000 children out of poverty in 2020.⁹

LIHEAP makes the difference.

The Consumer Financial Protection Bureau found that 38 percent of adults had high likelihood of inability to afford food, healthcare, housing, or utilities.¹⁰ LIHEAP helps address short-term household energy emergencies and stabilizes families.

Maximize LIHEAP Funding in FY24.

Sources

1. FY2021 Data, HHS; Eligible households, households served and vulnerable statistics supplied from state reports and are preliminary for FY2021, pending final data validation.
2. Includes state and tribal regular LIHEAP Block Grant awards allocated for FY2021 and Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) funds. It does not include American Rescue Plan Act of 2021 (P.L. 117-2) funds.
3. For all states, eligible households estimated here using 150 percent of the federal poverty guideline. States may use an alternative: <https://liheapch.acf.hhs.gov/tables/POP.htm>
4. <https://www.acf.hhs.gov/ocs/policy-guidance/liheap-im-2022-03-federal-poverty-guidelines-optional-use-ffy-2022-and>
5. <https://neuac.org/wp-content/uploads/2019/01/liheapsurvey2018.pdf>
6. <https://www.census.gov/library/publications/2022/demo/p60-277.html>
7. <https://www.federalreserve.gov/publications/files/2021-report-economic-well-being-us-households-202205.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.census.gov/content/dam/Census/library/publications/2021/demo/p60-275.pdf>
10. <https://www.federalreserve.gov/publications/files/2020-report-economic-well-being-us-households-202105.pdf>