



The National Energy and Utility Affordability Coalition

## **LIHEAP needs at least \$4.7 billion in FY17** **Minnesota's LIHEAP Funding Down 28% from FY10 to FY15**

Fiscal Year	National Total	Minnesota's Allocation <sup>1</sup>
2017 (President)	\$3.00 billion	<b>\$100,226,639</b>
2016 (est.)	\$3.39 billion	<b>\$113,430,933</b>
2015	\$3.39 billion	<b>\$114,498,307</b>
2014	\$3.42 billion	<b>\$114,540,746</b>
2013	\$3.25 billion	<b>\$114,498,307</b>
2012	\$3.47 billion	<b>\$116,838,721</b>
2011	\$4.71 billion	<b>\$152,559,213</b>
2010	\$5.10 billion	<b>\$160,088,897</b>

State <sup>2</sup>	Households Eligible (5 year average)	Households Served (FY15)	% Households NOT Served (FY15)
Minnesota	617,917	138,995	<b>78%</b>

The Low Income Home Energy Assistance Program (LIHEAP) provides critical home heating and cooling help to millions of vulnerable American families. After long underfunding LIHEAP, Congress appropriated \$5.1 billion for the program in FY09 and FY10, and \$4.7 billion in FY11. Since then, funding has fallen to \$3.39 billion in FY16. As a result, more than one million eligible US households are not receiving assistance each year, and individual grants have been reduced from an average of \$520 to \$413 per year. This is occurring even while the number of at-risk households remains virtually unchanged from their all-time highs.<sup>3</sup>

### **Why Fund LIHEAP at \$4.7 Billion?**

#### **LIHEAP is Not an Entitlement:**

Unlike entitlement programs that receive funding increases with growth in the eligible population, LIHEAP is funded by the annual congressional appropriations process. While states set eligibility rates, the income *maximum* is 150 percent of the federal poverty guideline or 60 percent of a state's median income. For example, 150 percent of the FY17 poverty guideline for a family of three is \$30,135.<sup>4</sup> Most LIHEAP recipients earn much less than the maximum thresholds: the most recent data show that a typical LIHEAP recipient household had a median income of 83.5 percent of the federal poverty guideline.<sup>5</sup>

#### **The Need for LIHEAP Remains High:**

In 2014, the national poverty rate was 14.8 percent, and 46.7 million Americans lived in poverty. These numbers, at or near all-time US highs, have been virtually unchanged since the end of the recession.<sup>6</sup>

#### **LIHEAP Prioritizes Vulnerable Households:**

State LIHEAP administrators report that nearly 73 percent of LIHEAP recipient households had at least one vulnerable person – a senior age 60 or older, a child age 5 and under, or an individual with a disability.<sup>7</sup>

#### **LIHEAP Helps Veterans:**

LIHEAP recipient households containing a veteran jumped 150+ percent over three years – from about 700,000 in FY08 to 1.78 million in FY11.<sup>8</sup>

**NEUAC's Recommendation to Congress: NEUAC urges Congress to restore LIHEAP to at least \$4.7 billion, to concentrate funds in base grants, and to reject efforts that siphon appropriated funds from LIHEAP's core energy-assistance mission.**

<sup>1</sup> FY10-15 Data, HHS; FY16-17 data does not include tribal funding - from HHS FY2017 Budget Justification: [https://www.acf.hhs.gov/sites/default/files/olab/final\\_cj\\_2017\\_print.pdf](https://www.acf.hhs.gov/sites/default/files/olab/final_cj_2017_print.pdf)

<sup>2</sup> Eligible Households developed using most recent 5-year (2010-2014) ACS PUMS File. Households Served from state reports.

<sup>3</sup> US Census Bureau: "Income and Poverty in the United States: 2014" <http://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-252.pdf>; NEADA Purchasing Power Table <http://neada.org/wp-content/uploads/2016/02/purchasingpower1216.pdf>

<sup>4</sup> LIHEAP IM 2015-03 <http://www.acf.hhs.gov/programs/ocs/resource/liheap-hhs-poverty-guidelines-for-optional-use-in-fy-2015-and-mandatory-use-in-fy-2016>

<sup>5</sup> HHS FY2017 Budget Justification

<sup>6</sup> "Income and Poverty in the United States: 2014"

<sup>7</sup> NEADA 2014 LIHEAP Household Report <http://neada.org/wp-content/uploads/2015/06/State-Table-FY14-Households-Served.pdf>

<sup>8</sup> "LIHEAP Recipients by Veteran Status" [http://neada.org/wp-content/uploads/2013/12/LIHEAP\\_Veteran\\_Study\\_V3.pdf](http://neada.org/wp-content/uploads/2013/12/LIHEAP_Veteran_Study_V3.pdf)