

National Energy Assistance Directors' Association

For Immediate Release

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President's Budget Calls for 44% Cut in Energy Assistance to the Poor! More than One Million Households Face Elimination of Benefits

WASHINGTON, DC

The State Low Income Energy directors today called on the Congress to reject the Administration's FY 08 Request to cut funding for the Low Income Home Energy Assistance Program (LIHEAP). The President's Budget for FY 08 of \$1.78 billion will cut LIHEAP by \$1.38 billion (44%) from the comparable FY 06 appropriation level of \$3.2 billion (regular plus supplemental appropriations). Under the President's Budget, states will have few options but to cut benefit levels and reduce the number of families receiving assistance by more than 1 million.

There are currently about 5.6 million households receiving energy assistance. These families are very poor and have few choices but to cut back on food, medicine and other essentials in order to pay their home energy costs:

- 94% have at least one member who is elderly, disabled, a child under 18, or has a single adult living with one or more children. More than three quarters reported an annual income at or below \$20,000,
- 61% have annual income at or below the federal poverty level.
- 50% have someone in their household that has asthma, emphysema, heart disease, or stroke, and
- 20% have someone who uses necessary medical equipment that requires electricity, most commonly nebulizers, oxygen machines, and other machines to provide assistance with breathing.

If funding is cut by 44%, states will have few choices but to cut services, close program early and eliminate assistance to more than one million households under the President's Budget request.

According to Mark Wolfe, Executive Director of the National Energy Assistance Directors' Association (NEADA), "there is absolutely no justification for the President's cut. According to the Administration's own energy forecasting agency, the cost of home heating is still significantly higher than even a few years ago, the average price for the period between the winter heating seasons of 2000-01 and 2005-06 for home heating was \$697, in comparison to \$948 last year and a projected \$873 this year. In other words, if this was an average year, households would be spending about \$176 less. As a result in the rise in energy prices, the number of households requesting assistance has been rising rapidly, increasing from 5.1 million in FY 05 to 5.6 million in FY 07."

The following table provides state-by-state numbers comparing the President's Budget with actual FY 06 allocations. Note: the President's Budget column does not include the proposed allocation of \$277 million in contingency funds; these can only be released in response to specified price and supply conditions.

Low Income Home Energy Assistance Program: FY 08 Appropriations Status (\$'000)						
State	FY06 1/	FY 07 Continuing Resolution 2/	FY 08 President's Request 3/	Difference		NEADA Request
				Pres - 06	%	
Alabama	\$31,972	\$16,770	\$12,645	-\$19,327	-60.5%	\$87,205
Alaska	18,473	10,704	8,071	-10,401	-56.3%	26,002
Arizona	15,400	8,110	6,115	-9,284	-60.3%	42,233
Arkansas	23,336	12,796	9,648	-13,688	-58.7%	47,082
California	157,624	89,961	67,834	-89,791	-57.0%	316,814
Colorado	44,841	31,367	23,652	-21,190	-47.3%	58,158
Connecticut	71,105	40,918	30,854	-40,251	-56.6%	98,878
Delaware	10,954	5,431	4,095	-6,859	-62.6%	21,871
District of Columbia	8,165	6,354	4,791	-3,373	-41.3%	16,239
Florida	49,797	26,533	20,007	-29,790	-59.8%	138,181
Georgia	40,025	20,979	15,818	-24,207	-60.5%	109,253
Hawaii	2,567	2,113	1,593	-974	-37.9%	5,284
Idaho	14,772	12,235	9,226	-5,546	-37.5%	29,721
Illinois	193,811	113,256	85,399	-108,412	-55.9%	301,871
Indiana	75,335	51,280	38,666	-36,669	-48.7%	111,654
Iowa	52,053	36,342	27,403	-24,650	-47.4%	60,776
Kansas	27,721	16,690	12,585	-15,136	-54.6%	55,424
Kentucky	45,319	26,686	20,122	-25,197	-55.6%	91,718
Louisiana	32,671	17,144	12,927	-19,744	-60.4%	85,072
Maine	45,146	26,509	19,989	-25,157	-55.7%	47,034
Maryland	61,889	31,331	23,625	-38,264	-61.8%	136,730
Massachusetts	126,474	81,851	61,718	-64,755	-51.2%	157,890
Michigan	154,670	107,528	81,079	-73,590	-47.6%	199,566
Minnesota	110,848	77,467	58,413	-52,435	-47.3%	90,280
Mississippi	27,466	14,376	10,840	-16,626	-60.5%	74,871
Missouri	78,219	45,240	34,112	-44,107	-56.4%	123,142
Montana	22,789	14,351	10,821	-11,968	-52.5%	34,861
Nebraska	28,642	17,972	13,551	-15,090	-52.7%	43,658
Nevada	7,247	3,809	2,872	-4,375	-60.4%	19,836
New Hampshire	27,740	15,493	11,683	-16,058	-57.9%	37,634
New Jersey	115,044	75,986	57,296	-57,748	-50.2%	160,368
New Mexico	12,491	10,153	7,656	-4,835	-38.7%	24,663
New York	382,245	248,107	187,080	-195,165	-51.1%	471,752
North Carolina	72,412	36,976	27,881	-44,532	-61.5%	164,462
North Dakota	24,680	15,590	11,755	-12,924	-52.4%	37,869
Ohio	164,224	100,193	75,549	-88,675	-54.0%	252,854
Oklahoma	29,542	15,414	11,622	-17,920	-60.7%	64,604
Oregon	25,116	24,311	18,331	-6,785	-27.0%	42,504
Pennsylvania	202,321	133,270	100,490	-101,831	-50.3%	272,515
Rhode Island	23,131	13,473	10,159	-12,972	-56.1%	32,728
South Carolina	25,278	13,318	10,042	-15,236	-60.3%	69,357
South Dakota	20,117	12,662	9,548	-10,570	-52.5%	30,756
Tennessee	47,138	27,031	20,382	-26,755	-56.8%	95,888
Texas	84,005	44,144	33,286	-50,719	-60.4%	229,887
Utah	23,285	14,576	10,991	-12,294	-52.8%	35,407
Vermont	20,902	11,612	8,756	-12,146	-58.1%	28,208
Virginia	75,052	38,165	28,778	-46,275	-61.7%	149,727
Washington	41,226	39,988	30,152	-11,074	-26.9%	64,001
West Virginia	24,543	17,660	13,317	-11,227	-45.7%	49,261
Wisconsin	99,835	69,731	52,579	-47,256	-47.3%	105,404
Wyoming	9,284	5,837	4,401	-4,884	-52.6%	14,176
Territories/HHS Training Funds	3,793	2,981	2,294	-1,500	-39.5%	7,171
Leveraging	27,225	27,225	27,500	275	1.0%	27,500
Total	\$3,159,960	\$1,980,000	\$1,500,000	-\$1,659,960	-52.5%	\$5,100,000

1/ FY 06 funding included a \$1 billion supplemental funding. The Adm. currently has \$20 million in emergency authority remaining.

2/The House 07 Continuing Resolution also includes \$181.17 million in contingency funds for FY 2007, for a total of \$2.161 billion.

3/ The President's Budget FY08 Budget also includes \$282 million in contingency funds for a total of \$1.782 billion.

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