

May 15, 2009

The Honorable Tom Harkin, Chairman
The Honorable Thad Cochran, Ranking Member
Committee on Appropriations
Subcommittee on Labor, Health and Human Services, and Education, and Related Agencies
United States Senate
Washington, DC 20510

Dear Chairman Harkin and Ranking Member Cochran:

Thank you for your support in the FY 2009 Consolidated Security, Disaster Assistance, and Continuing Appropriations Act (P.L. 110-329) for the Low Income Home Energy Assistance Program (LIHEAP). Your inclusion of \$5.1 billion – the highest funding level ever for the program – helped millions more families in desperate need of assistance. As you craft your fiscal year 2010 appropriations bill, we respectfully request you maintain LIHEAP at the authorized level of \$5.1 billion.

LIHEAP is the only federal program that helps low-income households and seniors with their energy bills. This funding is vital for low income families facing high energy bills during both the cold winter and hot summer. Already this year the Senate has reaffirmed its commitment to LIHEAP by including \$5.1 billion in the Congressional Budget Resolution.

Even funded at \$5.1 billion, LIHEAP will not be able to reach every eligible family. Low-income families spend a higher proportion of their income on energy than other households and for these families the cost of energy remains unaffordable. According to a December 2007 study by the Oak Ridge National Laboratory, the need for energy assistance is clear and is needed nationwide:

"The trend in recent years is for the cost of residential energy to low-income consumers to increase at a pace far exceeding the rate of general inflation or of increases in household income. This trend can be seen for all major fuel sources and all regions of the country. Many households will face higher energy burdens...and will lack the discretionary income to adjust to the rising costs of home energy." (ORNL/CON 503)

Energy assistance is more important now than ever before because of continued economic struggles. Since last April, the national unemployment rate has increased every month – growing from 5.0 percent in April 2008 to 8.9 percent in April 2009. In these dire times, we believe that the Senate can send a strong message to those in need by holding the line on LIHEAP.

Any cut to LIHEAP will force states to either lower benefit amounts or assist fewer households. For example, the National Energy Assistance Directors' Association (NEADA) estimates that funding LIHEAP at \$3.2 billion instead of \$5.1 billion would result in at least 1.5

million households being cut out of the program and millions more seeing their LIHEAP assistance decreased.

A cut to LIHEAP funding would be felt in all regions of the country. According to NEADA, the additional fiscal year 2009 funding allowed fifteen states to increase the number of households they served by more than 20 percent from the year before. Many states saw increases of well over that amount, including Texas (201% increase), Florida (200%), California (162%), Tennessee (60%), and Arkansas (50%).

Families across the nation are already making tough choices regarding their spending. Reducing LIHEAP assistance will force millions of families to stretch their budgets tighter, choosing between paying their energy bill and putting food on their table. We urge you to maintain the important investment made last year for LIHEAP to help low-income families cope during this tough economic climate.

Sincerely,

Jack Reed

Edward M. Kennedy

Christopher J. Dodd

Olympia J. Snowe

Christopher S. Bond

Patrick J. Leahy

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