

Resolution Supporting the Adequate Funding of the Low Income Home Energy Assistance Program (LIHEAP)

WHEREAS, The Missouri Energy Task Force recognizes utility service to be a vital key to the health and safety of Missouri households and families; *and*

WHEREAS, The severe constraints on State budgets and the increased strain on the nation's support system provided by nonprofit, faith-based, and other community organizations have limited the resources available for energy assistance; *and*

WHEREAS, The applications for energy assistance in Missouri have increased from the 2005 heating season to the 2006 heating season by an estimated 10 percent based on applications (Increase in Applications – Kansas City Metro 21%, St. Louis City 7%, St. Louis County 19%, and Statewide 10%), with more than 125,000 households seeking assistance, the largest number of applicants in the history of the program; *and*

WHEREAS, It would take more than \$3 billion to equal the purchasing power LIHEAP had in 1982; *and*

WHEREAS, LIHEAP provides vital heating and cooling assistance to low-income families, including working-poor households, senior citizens, and persons with disabilities; *and*

WHEREAS, A national survey of LIHEAP recipients published in 2004 found that families that cannot pay their energy bills are sometimes forced to relocate and are often forced to cut back on food, medicine and other necessities in order to heat their homes; *and*

WHEREAS, A national survey of LIHEAP recipients conducted in 2003 by the National Energy Agency Director's Association (NEADA) found that LIHEAP makes a critical difference. LIHEAP funding enabled: 1) 62% of LIHEAP recipients to have their heat restored; 2) 54% of LIHEAP recipients to keep their homes at safe and healthy temperatures; and 3) 48% of LIHEAP recipients were able to avoid disconnection; *and*

WHEREAS, LIHEAP is a targeted block grant program which provides built-in flexibility to Federal-State partnerships and is the foundation for many programs authorized by State public utility commissions to assist low-income customers to meet their bill payment obligations through direct assistance, arrearage forgiveness, and reduction of bills to more affordable levels; to prevent service terminations in winter as well as during heat emergencies; to make the transition from public assistance to economic self-reliance; to help low-income households remain economically self-sufficient; and to weatherize their homes, repair defective heating equipment, and reduce energy usage; *and*

WHEREAS, the Energy Information Administration's (EIA) latest Short-Term Energy Outlook suggests that the average residential customer will see the price of natural gas delivered to their home increase by nearly 23% in 2007 from what they paid in 2004 and the EIA estimates that a residential natural gas customer paid nearly 38% more, and a residential propane customer paid

nearly 27% more, to heat their home in the 2005-06 heating season than they paid in the 2002-03 heating season; *and*

WHEREAS, The National Fuel Funds Network and other consumer advocate groups support increased LIHEAP funding and have asked that LIHEAP funding be increased to \$5.1 billion for FY 2007 and this amount is the fully authorized funding level approved in the Energy Policy Act of 2005; *and*

WHEREAS, The total appropriation for LIHEAP in FY '06 was approximately \$3.16 billion after Congress approved a \$1.0 billion supplemental appropriation in March of this year

WHEREAS, Insufficient funding for LIHEAP will undermine and threaten the continuation of a number of State initiatives that rely on the LIHEAP program to be the foundation for providing a modest amount of energy security for low-income Americans; *now therefore be it*

RESOLVED, That the Missouri Energy Task Force urges the Appropriations Committee of the United States House of Representatives and Congress to appropriate LIHEAP funding of at least \$3.1 billion in the FY 2007 budget; *and be it further*

RESOLVED, The Missouri Energy Task Force urges Congress to act and approve this funding request before the start of the winter heating season on November 1st to avoid the potential for a funding crisis that could be created by a number of factors including abnormally cold weather or skyrocketing energy prices.

Sponsored by the Missouri Energy Task Force on July 17, 2006.