

PREPARED TESTIMONY

Representative John Faso (NY-19)

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House Appropriations Committee

Subcommittee on Labor, Health and Human Services, Education, and Related Agencies

Chairman Cole, Ranking Member DeLauro, and Members of the Committee, thank you for the opportunity to testify today. I come before you to advocate for some of our nation's neediest families who are able meet their energy needs through the Low Income Home Energy Assistance Program (LIHEAP).

The Low Income Home Energy Assistance program was created in 1981 to support low-income households that pay a large share of income on immediate home energy costs. This program is the primary source of energy assistance for our nation's poorest families, helping close to 7 million low-income households who require assistance in paying energy bills.

A past national analysis of LIHEAP recipients concluded that nearly half skipped paying or paid less than their entire home energy bill, and more than one third received a notice to disconnect or discontinue their electricity or home heating fuel. Additionally, nearly 24 percent of LIHEAP recipients were unable to use their main source of heat at some point because their fuel service was suspended, they could not afford delivery or their system was broken. That's almost 1.5 million people who had to make the tough choice between heating their homes and other vital necessities.

In addition to providing assistance with home energy bills, LIHEAP also supports homeowners through weatherization and minor energy-related home repairs. This program helps to reduce energy costs for households by increasing energy efficiency through minor modifications. Roughly \$31 million, or 8%, of New York's LIHEAP funding is spent on weatherization assistance, just a small fraction of the total funds allocated to the state.

Many families in my district heat their homes with heating oil which is one of the more expensive forms of energy, often costing more than natural gas and propane per BTU. Just two years ago, the price of home heating oil was nearly \$4 per gallon, which could cost the average customer a few hundred to a few thousand dollars to fill their tank. Most Americans simply cannot afford to incur such a large expense. According to a recent study by the Federal Reserve, almost half of all American families would struggle to pay an emergency expense of more than \$400, let alone a fuel-oil bill costing \$1,000. LIHEAP is critically important to cover this gap by providing emergency assistance to eligible households with short-term crisis funding, particularly important during the long and harsh winters we experience in the Northeast.

Recent weather patterns along with a weak economy have increased demand for program services while funding has continually decreased. At the peak of funding in fiscal year 2010, Congress appropriated \$5.1 billion to aid low-income families. Since that time national funding has fallen by 33 percent to roughly \$3.09 billion. This reduction in funding has outpaced the decrease in the cost of home-heating energy sources which have all declined at a slower

rate. The purchasing power of the average home-heating benefit is now only around 30 percent of the actual cost of heating a home, compared to over 40 percent in fiscal year 2011. Every dollar spent through this program is simply not going as far to help vulnerable households.

This repeated reduction of funding has left many eligible households unable to receive any support from the program. In New York alone there are approximately 2.3 million LIHEAP-eligible households, but only 1 million of these households are being served by the program. This leaves an astonishing 56 percent of eligible households unaided.

The Low Income Home Energy Assistance Program is critical to ensuring that many of my constituents are able to heat and light their homes. This program helps ensure access to the most basic energy needs for society's most vulnerable. According to HHS data, 94 percent of recipient households in New York contain at least one vulnerable person including seniors, children under five, or an individual with a disability. We can't turn our back on our country's poorest and most vulnerable, which is why I ask that you consider adequately funding LIHEAP to better serve the constituents in my district and families across the country.