

United States Senate

WASHINGTON, DC 20510

November 10, 2011

The Honorable Harry Reid
Majority Leader
United States Senate
S-221 United States Capitol
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
S-230 United States Capitol
Washington, DC 20510

The Honorable Daniel Inouye
Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Thad Cochran
Ranking Member
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Majority Leader Reid, Minority Leader McConnell, Chairman Inouye, and Ranking Member Cochran:

We write to urge your support for the Low Income Home Energy Assistance Program (LIHEAP) and to respectfully request that you recognize the seasonality of the program by providing full-year funding for LIHEAP at no less than the Fiscal Year 2011 level, including the contingency funds to address emergencies, in any appropriations bills moving forward.

As you well know, LIHEAP is the only federal program that helps low-income households and seniors with their energy bills, providing vital assistance during both the cold winter and hot summer months. This funding has been a lifeline during the economic downturn, helping to ensure that people do not have to choose between paying their energy bills and paying for food or medicine. Moreover, the funds provided to LIHEAP generate \$1.13 in economic activity for every dollar in benefits paid, according to economists Mark Zandi and Alan S. Blinder.

Low-income households spend a higher proportion of their income on energy, and this is particularly true during times of extreme temperatures and increased energy prices. Indeed, demand for LIHEAP has always been greater than the available funding, and as a result of the economic downturn and the increase in poverty and unemployment, the number of low-income households eligible for LIHEAP in 2012 will be larger than it was in 2008. For example, a household can be eligible for LIHEAP assistance if at least one household member receives Supplemental Nutrition Assistance Program (SNAP) benefits, and as of July 2011, SNAP participation is over 45 million people, or 60 percent more than in 2008. According to the National Energy Assistance Directors Association, the number of eligible households applying for assistance this year is projected to be a record 9.4 million, or 3.6 million more than in 2008. In addition, the U.S. Census recently reported that 46.2 million people lived in poverty in 2010, an increase of 6.4 million people over 2008 and the largest number in the 52 year history of published poverty estimates.

Despite these facts, the Administration's proposed cut, coupled with uncertainty in the ultimate Fiscal Year 2012 LIHEAP funding level, has resulted in a dramatic reduction of LIHEAP funds available to our states under the current Continuing Resolution (CR) that will significantly undermine our economy and leave millions of households vulnerable. Specifically, the Department of Health and Human Services' (HHS) initial release of LIHEAP funds to states on October 28, 2011, was only \$1.7 billion, a 62 percent decrease in full-year block grant funding from last year. Further, since the House provided no contingency funds for LIHEAP, there is additional uncertainty in HHS having these emergency funds available to help states address the acute challenges of high unemployment, increased SNAP participation, high energy prices, and unforeseen extreme weather events—all criteria for the release of contingency funds.

Given the unique structure of the program, unless Congress directs HHS to provide level funding for the LIHEAP block grants and as well as contingency funds in the next appropriations bill, the program may experience the largest annual decrease on record during the winter months.

As a result, we request that under any appropriations bill that Congress considers prior to the expiration of the CR that you provide funding for LIHEAP, including emergency funds, at no less than the Fiscal Year 2011 level through September 30, 2012, and that you work with us to avoid these catastrophic cuts during the winter season. This has a similar precedent as last year, thanks to your help, one of the continuing resolutions for Fiscal Year 2011 included language that required HHS to distribute LIHEAP funding at last year's levels. We believe that the continuing economic climate along with the rise in how much households will pay to keep warm this winter, as much as 8 percent more than last year, requires this stipulation again.

Thank you for your consideration of this request, and we look forward to working with you on this important matter.

Sincerely,

Jack Reed

Sheldon Brown

Patrick Leahy

Olympia Snowe

Susan Collins

Scott P. Brown

Jeanne Shaheen

Kelly A. Ayotte

Jay Robinson

Richard A. Lugar

Joe Lieberman

Jeff Miller

Joe Testa

Richard Blumenthal

Al Franken

Mark Begich

James I. Kennedy

Carl Levin

Kirsten E. Gillibrand

Ben Cardin

Robert Mendenhall

Frank R. Lautenberg

Chuck Sch

Jeffrey A. Merkley

Angie K. Lohman

Herb Kohl

Ron Wyden

Jim Johnson

Chris Coons

Bob Casey, Jr.

Shirley

Barbara Mikulski

Debbie Stabenow

Joe Manchin