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STATEMENT BY SENATOR KENNEDY ON LIHEAP

Today's Senate action to move to debate on increasing funds for the Low Income Home Energy Assistance Program for this winter will hopefully become a step in the right direction.

Democrats have pressed for months to increase funds for LIHEAP to the authorized level of \$5.1 billion.

We've urged the Republican leadership and the President to act, but the Republican majority has blocked our efforts at every turn, and families are paying a steep price for that neglect. The average LIHEAP grant has decreased by almost 10 percent since 2002, and is now only \$288.

In fact, countless citizens in communities throughout America live year-round with the constant threat of power shut-offs because they can't pay their energy bills, and they have no confidence that either Congress or this President are on their side.

In Massachusetts, the state government has provided \$20 million in additional funds for LIHEAP this year.

Low-income families are more fortunate in our state than in most other states on this issue, but we have exhausted all federal funds, and there is still great need. Even the poorest households with the highest bills will get no more than \$840--less than half what is needed to get through the winter.

It's wrong to let people like this suffer. We can and must do more. The Republican majority has refused to fully fund LIHEAP, but surely they won't deny our most vulnerable citizens an increase of \$1 billion so that they can make it through the winter.

FACT SHEET ENERGY COSTS AND LIHEAP

MASSACHUSETTS

- In Massachusetts, LIHEAP served approximately 131,000 households in 2005—13,000 to 14,000 households in Boston.
- The need for LIHEAP is increasing. As of December 31, 2005, Massachusetts received 131,448 applications-- a 6.9% increase over applications received in December 2004 (122,958 applications).
- Even the poorest households with the highest bills will get no more than \$840 benefit--less than half what is needed to get through the winter.
- In Massachusetts, the average price of heating oil --- which nearly 40 percent of households use to heat their homes --- is \$2.38, up \$.41 from the 2005 average of \$1.97.

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- Since the winter heating season 2001-2002, the price of home heating costs for heating oil increased from \$627 to \$1474, natural gas from \$465 to \$1000, and propane from \$736 to \$1286.
- □□□□ The number of households receiving LIHEAP assistance has increased from 4.2 million in 2002 to 5 million in 2005, the highest level in 10 years. Yet, the program only serves about 15.6 percent of eligible recipients. The National Energy Assistance Directors' Association projects the number of households receiving LIHEAP Assistance to increase to 5.6 million in 2006.
- 94 percent of households served by LIHEAP have at least one member who is elderly, disabled, a child under 18, or has a single adult living with one or more children.
- The average LIHEAP household has an income of less than \$10,000.
- Households in poverty will owe an average of 25% of their entire annual income for their energy bills.
- The average LIHEAP grant has decreased since 2002 and is now \$288—a cut of 9.8 percent.

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