AMERICAN PUBLIC GAS ASSOCIATION

May 30, 2017

The Honorable Rodney Frelinghuysen
Chairman
U.S. House Committee on Appropriations
H-305, The Capitol
Washington, DC 20515

The Honorable Nita Lowey
Ranking Member
U.S. House Committee on Appropriations
1016 Longworth House Office Building
Washington, DC 20515

Dear Chairman and Ranking Member,

On behalf of The American Public Gas Association (APGA), I express our support for the Low Income Home Energy Assistance Program (LIHEAP). The President's FY 2018 Budget proposes eliminating this program. We urge your Committee to provide continued funding for LIHEAP as you begin your FY 2018 budget process.

APGA is the national association for publicly-owned natural gas distribution systems. There are approximately 1,000 public gas systems in 37 states and over 700 of these systems are APGA members. Publicly-owned gas systems are not-for-profit, retail distribution entities owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that have natural gas distribution facilities.

LIHEAP was established in 1981 as part of the Crude Oil Windfall Profit Tax Act.[1] It intended to help low-income families meet rising energy costs. Since then, LIHEAP has become an essential social program that provides essential relief to families across the country. It was last reauthorized in the Energy Policy Act of 2005, with a $5.1 billion maximum annual appropriation.

LIHEAP is not an entitlement, it is a discretionary program subject to annual appropriations. To qualify, households must have incomes at or below 150 percent of the federal poverty level -- $30,600 for a family of three in 2017[2] – or 60 percent of a state's median income. According to U.S. Census data, the national poverty rate was 13.5 percent and 43.1 million Americans lived in poverty in 2015.

Over the last several years, LIHEAP funding has steadily declined. However the program continues to provide crucial support to millions of Americans. The American Council for an Energy-Efficient Economy

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[1] Crude Oil Windfall Tax Act H.R. 3919, 96th Congress (1980)

[2] Federal Register, "Annual Update of the HHS Poverty Guidelines," January 31, 2017 https://www.federalregister.gov/documents/2017/01/31/2017-02076/annual-update-of-the-hhs-poverty-guidelines

found that low-income households spend a far higher percentage of their income on their energy bill.[3] The median energy burden for all U.S. households is 3.5 percent. However, median low-income homes spend 7.5 percent of their income on energy bills, over twice as much as the national average. LIHEAP helps those low-income families make ends meet. Without LIHEAP, utility costs would disproportionately impact low-income families even more.

LIHEAP provides essential relief to millions of American families every year. We understand Congress' desire to reduce federal spending. However, cutting effective and essential programs such as LIHEAP is misguided. We urge you to provide funding for LIHEAP as you begin your FY 2018 budget process.

Sincerely,

Bert Kalisch

Bert Kalisch
President & CEO

[3] ACEEE, "Lifting the High Energy Burden in America's Largest Cities: How Energy Efficiency Can Improve Low Income and Underserved Communities,"
http://energyefficiencyforall.org/sites/default/files/Lifting%20the%20High%20Energy%20Burden_0.pdf