

NEADA

NATIONAL ENERGY ASSISTANCE DIRECTORS' ASSOCIATION

The Honorable Xavier Becerra
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

March 29, 2021

Dear Secretary Becerra:

On behalf of the National Energy Assistance Directors Association (NEADA), representing the state directors of the Low Income Home Energy Assistance Program (LIHEAP), I am writing to urge you to release the \$4.5 billion in program funds appropriated in the American Rescue Plan Act of 2021 no later than April 15, 2021. In addition, I urge you to complete program guidance on the water and wastewater assistance program passed as part of the Consolidated Appropriations Act of 2021, and to release the \$1.1 billion appropriated for that program as quickly as possible.

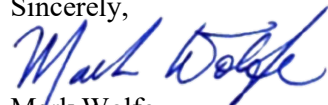
The funding is urgently needed as winter moratoriums end and struggling families face the prospect of the shut-off of electric and gas services. Eleven states now have no moratorium in place and 14 more will expire by the end of March. The amount owed is significant. We are estimating that the total amount of electricity arrearages nearly doubled between 12/31/2019 and 12/31/2020 from \$8 billion to \$15.8 billion and that the amount owed by 3/31/2021 will reach approximately \$21 billion. Further, the number of households in arrears during this period increased from about 20 million to close to 30 million. While we do not have complete data on water arrearages, we believe that the amount owed for water bills track the increase in arrears for electricity.

To make matters worse, state LIHEAP offices that would normally only offer heating assistance cannot continue to operate their programs through the spring without the release of the additional funding. The longer it takes to release the funds, the more likely there will be a gap in service as local offices are forced to lay off workers while they wait for more resources to operate their programs.

The average cost of home heating has remained unaffordable for millions of low-income households with an average annual price of \$904 last winter. According to the US Energy Information Administration, the average home heating cost last winter for those using propane was \$1,345, heating oil \$1,201, electricity \$1,209 and natural gas \$572. LIHEAP assistance is only sufficient to reach about one of six eligible households and 70 percent of recipient households have at least one vulnerable and at-risk member who is elderly, disabled or have a child under the age of six.

I appreciate your consideration of NEADA's request to release the \$4.5 billion in supplemental LIHEAP funds no later than April 15, 2021, and to promptly finalize and release funds for the water and wastewater assistance program. Our states are ready to deploy these funds to help some of the nation's poorest families pay their home energy and water bills.

Sincerely,



Mark Wolfe
Executive Director