



NATIONAL ENERGY ASSISTANCE DIRECTORS' ASSOCIATION

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Families are Drowning in Utility Debt NEADA Calls for Additional Funding for Energy Assistance

Utility moratoriums are expiring: State-wide utility disconnection moratorium policies are rapidly ending. Of the 33 states that have shut-off moratoriums during the winter heating season, 29 have now ended. The remaining four (Connecticut, Minnesota, Rhode Island and Wyoming) are scheduled to expire by May 1.

Families are drowning in utility debt – utility debt has more than doubled in the last two years: Utility arrearages have more than doubled since the start of the pandemic as a result of high energy prices and pandemic-related unemployment. A [NEADA analysis](#) found arrearages have increased from about \$10.5 billion at the end of 2019, to about \$23 billion at the end of February 2022. About 20.1 million households were in arrears at the end of February 2022.

[Inflation in energy prices](#) is a primary factor in rising utility debt: Price increases across all energy sources have contributed to the rising national arrearage balance. In March 2022, overall energy prices increased 32% over the previous 12 months.

States working to address need: States received \$4.5 billion in supplemental funding for the Low Income Home Energy Assistance Program (LIHEAP) under the American Rescue Plan (ARP) and are [using those funds](#) to help low-income families pay high energy bills and outstanding utility debts.

NEADA requested an additional \$5 billion in supplemental funds for LIHEAP

NEADA sent a [letter](#) to the congressional leadership last month calling for an additional \$5 billion for LIHEAP to help low income families pay rising home energy bills. By providing supplemental funds to LIHEAP, Congress can help families adapt to high energy prices brought on by the recovering post-pandemic economy and Russia's invasion of Ukraine.

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The National Energy Assistance Directors Association (NEADA) is the primary educational and policy organization for the state directors of the Low Income Home Energy Assistance Program (LIHEAP). LIHEAP is a federal program providing formula grants to states to help low-income families pay their heating and cooling bills.