



NATIONAL ENERGY ASSISTANCE DIRECTORS ASSOCIATION

**Press Release: 01/23/2024 – States Call for Congress to Restore Funding for LIHEAP
About 1.4 Million Households Could be Cut from the Program**

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The National Energy Assistance Directors Association (NEADA) representing the state directors of the Low Income Home Energy Assistance Program (LIHEAP) called on Congress to continue funding LIHEAP at \$6.1 billion for FY 24 by adding \$2 billion to the base program funding level of \$4.1 billion, 1.4 million families will be cut from the program.

LIHEAP funding in FY 2023 allowed the states to serve 7.1 million a households a record number as low income families faced continued high costs of home heating and cooling. This is of special concern as the nation faces record cold temperatures and utility arrearages continue to also reach record levels.

Note: The data discussed in this press released as part of a broader report on energy assistance and affordability in conjunction with National Energy Assistance Day on February 1.

Key Findings:

- **Average Cost of Home Heating Has Increased 16.5% Since the Start of the Pandemic**
Since the start of the pandemic, the average cost of home heating for all fuel types has increased by close to 16.5% from \$725 to \$868.
- **Households Receiving Energy Assistance Reach Record Levels.** About 7.3 million households received energy assistance in FY 2023, an increase of about 1.5 million, from 5.8 million in FY 2022.
- **Up to 1.5 million families could be cut this year from LIHEAP under current Congressional budget proposals.** Federal funding for LIHEAP is essential to help families pay high energy bills and avoid falling into debt to their utilities. While current high prices and increased arrearages would appear to argue for greater funding for LIHEAP, in fact Congress is considering reducing the level of funding from \$6.1 billion last year to \$4.1 billion in 2024. If Congress does not restore funding, then states will be forced to cut program benefits, the number served and eliminate cooling programs.

Table 1: Estimates the state-by-state impact of the reduction in funding for LIHEAP for FY 2024 if the additional \$2 billion is not provided

LIHEAP: Number of Households Served FY23 (Est) Compared to FY24 (Est) if Additional \$2 Billion is not Provided

State	FY 23 (Est.)	FY 24 (Est. \$4.1 Billion)	Diff. FY 24- FY23
Alabama	107,487	85,990	-21,497
Alaska	4,010	3,208	-802
Arizona	24,985	19,988	-4,997
Arkansas	50,788	40,631	-10,158
California	235,654	188,523	-47,131
Colorado	75,015	60,012	-15,003
Connecticut	171,633	137,306	-34,327
Delaware	19,243	15,394	-3,849
District of Columbia	11,105	8,884	-2,221
Florida	124,446	99,557	-24,889
Georgia	182,435	145,948	-36,487
Hawaii	7,910	6,328	-1,582
Idaho	32,706	26,165	-6,541
Illinois	131,245	104,996	-26,249
Indiana	135,479	108,383	-27,096
Iowa	86,881	69,505	-17,376
Kansas	31,544	25,235	-6,309
Kentucky	213,077	170,462	-42,615
Louisiana	144,564	115,651	-28,913
Maine	42,701	34,160	-8,540
Maryland	119,755	95,804	-23,951
Massachusetts	129,948	103,958	-25,990
Michigan	472,228	377,782	-94,446
Minnesota	113,486	90,789	-22,697
Mississippi	58,788	47,031	-11,758
Missouri	164,484	131,587	-32,897
Montana	28,063	22,450	-5,613
Nebraska	71,257	57,006	-14,251
Nevada	8,659	6,927	-1,732
New Hampshire	29,695	23,756	-5,939
New Jersey	260,124	208,099	-52,025
New Mexico	37,622	30,097	-7,524
New York	2,070,932	1,656,746	-414,186
North Carolina	147,028	117,623	-29,406
North Dakota	32,220	25,776	-6,444
Ohio	139,884	111,907	-27,977
Oklahoma	108,744	86,995	-21,749
Oregon	52,097	41,678	-10,419
Pennsylvania	270,027	216,022	-54,005
Rhode Island	43,680	34,944	-8,736
South Carolina	53,224	42,579	-10,645
South Dakota	58,876	47,101	-11,775
Tennessee	102,407	81,925	-20,481
Texas	157,097	125,678	-31,419
Utah	18,244	14,595	-3,649
Vermont	42,563	34,050	-8,513
Virginia	221,005	176,804	-44,201
Washington	77,051	61,641	-15,410
West Virginia	84,107	67,286	-16,821
Wisconsin	187,507	150,006	-37,501
Wyoming	11,166	8,933	-2,233
Total	7,204,875	5,763,900	-1,440,975

Source: National Energy Assistance Directors Association, Contact: Mark Wolfe: mwolfe@neada.org 1/19/2024

- **Families Fall Behind on Utility Bills – Utility Debt Reaches Record Levels:** More than one out of six households are behind on their energy bills, at 16 percent (21.2 million) of all U.S. households.. During calendar year 2023, the national arrearage balance increased from \$17.7 billion in January 2023 to \$20.3 billion in December 2023.

Natural Gas - Residential National Arrearage Estimates

	Percent Households in Arrears	Estimated Total Households in Arrears	Average Amount Owed	Estimated Natural Gas Arrearages
23-Dec	17.9%	14.3M	\$406	\$5.8B
22-Dec	17.4%	13.9M	\$351	\$4.9B

Source: National Energy Assistance Directors Association • Created with Datawrapper

Electricity - Residential National Arrearage Estimates

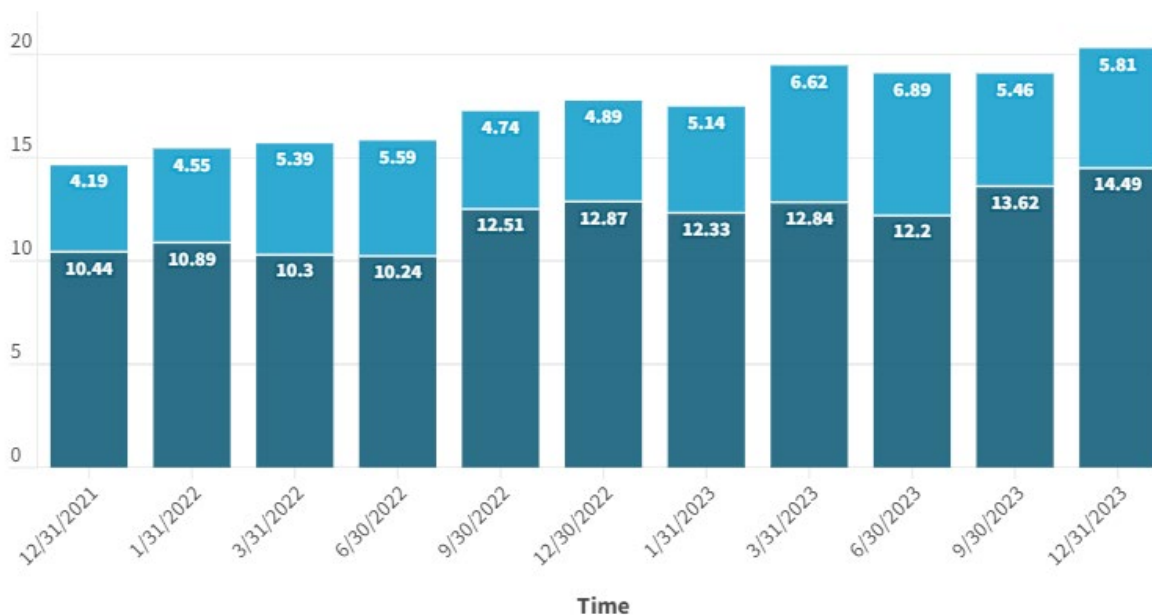
	Percent Households in Arrears	Estimated Total Households in Arrears	Average Amount Owed	Estimated Electric Arrearages
23-Dec	16.2%	21.2M	\$684	\$14.5B
22-Dec	15.3%	20.1M	\$642	\$12.9B

Source: National Energy Assistance Director's Association • Created with Datawrapper

Residential Utility Arrears 12/2021 to 12/2023

■ Electric Arrears ■ Gas Arrears

Arrears in Billions of Dollars



Source: NEADA • Dec 2023 Arrears are Estimated

- **Census Bureau Household Pulse Survey: Families Struggling to Pay High Energy Bills.** NEADA’s utility arrearage data are supported by other data that point out that families are struggling to pay high energy bills along with other indicators of family poverty. The Census Bureau’s Household Pulse Survey reported that lower income families are struggling to pay their home energy bills:
 - 17.3 percent of all households report being unable to pay their energy bill at least once during the last 12 months, with 26.7 percent foregoing other necessities and 17.1 percent keeping their home at an unsafe temperature in order to pay their energy bill.
 - Nearly half, or 51.5. percent, of LMI households have reported some level of energy insecurity.

Percent of Households Unable to Pay Energy Bills

Time Period	National Average	Low- and Moderate-Income (<\$50k)	Households with Children
Oct 5 - Oct 17 2022	17.2%	36.5%	21.9%
Oct 18 - Oct 30 2023	17.3%	35.9%	22.5%

Percent of Households Foregoing Basic Necessities to Pay Energy Bills

Time Period	National Average	Low- and Moderate-Income (<\$50k)	Households with Children
Oct 5 - Oct 17 2022	26.7%	50.7%	29.8%
Oct 18 - Oct 30 2023	26.7%	51.5%	29.9%

Percent of Households Keeping Their Homes at an Unsafe Temperature to Save Money on Energy Bills

Time Period	National Average	Low- and Moderate-Income (<\$50k)	Households with Children
Oct 5 - Oct 17 2022	18.1%	33.5%	16.8%
Oct 18 - Oct 30 2023	17.1%	31.2%	15.8%

- Adequacy of Funds to Meet the Need:** States currently do not have sufficient funds to help families pay their winter energy bills. If Congress does not provide additional funds, states could run out of money. States are also concerned that they will not have sufficient remaining funds to help families pay for cooling assistance this summer as the need for this assistance increases with rising summer temperatures.

NEADA is the primary educational and policy organization for state directors of the Low Income Home Energy Assistance Program and the Low Income Household Water Assistance Program, which are federal programs that help low-income families pay their heating and cooling bills, and water and wastewater bills, respectively. For more information about NEADA and National Energy Assistance Day, visit www.neada.org