

April 9, 2025

Testimony of Mark Wolfe, Executive Director, National Energy Assistance Directors Association, before the House Subcommittee on Labor, Health and Human Services and Education and Related Agencies in support of FY 2026 funding for the Low Income Home Energy Assistance Program

Chairman Aderholt, Ranking Member DeLauro, and members of the Subcommittee, I am Mark Wolfe, Executive Director of the National Energy Assistance Directors Association (NEADA), which represents the State Directors of the Low Income Home Energy Assistance Program (LIHEAP). I appreciate the opportunity to submit testimony before the Subcommittee on the funding requirements for federal fiscal year 2026 (FY26) appropriation for LIHEAP.

LIHEAP is currently in crisis. Last week, the Trump Administration eliminated the Division of Energy Assistance (DEA)—the office within the U.S. Department of Health and Human Services (HHS) that oversees LIHEAP—and fired the entire staff. There is \$378 million in remaining FY 2025 funding that has not been released to states, and HHS has not released a plan for distributing the funds.

This gutting of federal support could not have come at a worse time for the households served by LIHEAP. One-out-of-six families are currently behind on their home energy bills and the total amount these families owe their utilities is approximately \$21 billion, the highest level since 2021 and up by about 30 percent since the end of 2023. In addition, 37.4 percent of families earning less than \$50,000 a year reported in a recent Census survey that they were unable to pay an energy bill at least once in the past 12 months.

For FY26, we are requesting at least \$4.1 billion for LIHEAP, the same level of total funding approved by Congress in FY25. This will send the message to the Trump Administration that it may not unilaterally eliminate programs that Congress has funded. \$4.1 billion is the minimum amount LIHEAP needs to provide basic support for the families it serves.

However, as temperatures rise, there is an increased need in summer months to help families avoid the effects of extreme heat. The only way for LIHEAP to provide year-round assistance without cutting critical support for families in the winter is with additional funding. In order to keep up with rising energy costs, rising temperatures, and the increase in extreme weather events, LIHEAP needs \$6 billion in FY26 funding plus \$1 billion for the program's contingency fund, for a total of \$7 billion. Contingency funding will allow the Administration to provide additional targeted resources for extreme weather events or volatility in energy prices.

Background: Energy Prices and Their Impact on Low-Income Households

Energy prices fall hardest on lower-income households. The average energy burden for low-income households is about [8.1 percent of income](#), almost three times the rate for non-low-income households (3.1 percent). Of even more concern, the most recent [Census Household Pulse Survey](#), designed to estimate the economic impact of the pandemic on families, found that:

- The percentage of households that could not pay their energy bill for at least one month in the last year increased from 22.0% to 23.4%. The largest increase was in low and moderate income households, which increased from 35.5% to 37.4%.
- The percentage of households reporting that they kept their home at unsafe temperatures also increased during the 12-month period, from 22.2% to 22.8%. The largest increase with this metric was in households of color, from 26.1% to 27.1%.
- More than one out of three households (34%) reduced or forewent basic household expenses at least once during the previous 12 months to pay their home energy bills. The largest increase was in low and moderate income households, from 50.1% to 51.0%.

Price of Home Energy

The average cost of home heating increased by 8.7% this winter, from \$866 to \$941. Due to higher prices, arrearages remain stubbornly high. NEADA estimates that more than one out of six households are behind on their energy bills, at 16% (21.5 million) of all U.S. households. During calendar year 2024, the national arrearage balance increased from \$18.6 billion in December 2023 to \$20.4 billion in December 2024.

While the cost of winter heating is stabilizing back to pre-pandemic levels, cooling costs continue to increase as summer temperatures break national records. NEADA estimated that the cost of cooling last summer rose by 7.9% to an average of \$719, up from \$661 during the summer of 2023. And according to NOAA, this summer is projected to be even hotter than last year.

Extreme heat causes more deaths each year than any other weather event, including floods, hurricanes, and tornadoes, [according to the National Weather Service](#). In Maricopa County, Arizona last year, the County reported 466 heat-related deaths, down from 645 in 2023.

How LIHEAP Helps Families

In 2018, NEADA completed a survey of LIHEAP recipients through the [National Energy Assistance Survey](#). The survey asked recent LIHEAP recipients in seven states selected for national representation how they fared prior to receiving LIHEAP grants. Of 624 respondents:

- 37 percent closed off part of their home to save utility costs;

- 25 percent kept the temperature inside unsafe or unhealthy;
- 52 percent of households had a disabled member, many of whom rely on electricity for breathing machines or to refrigerate medicines;
- 17 percent had to move in with friends or family and 6 percent went into shelters.

Only 26 percent of LIHEAP respondents reported being unemployed part of a year, yet to try to meet their utility costs:

- 36 percent went without food for at least a day;
- 41 percent went without medical or dental care;
- 31 percent did not fill a prescription or took less than prescribed to stretch the supply.

These responses from LIHEAP recipients underline the agonizing choices faced by low-income households. The [U.S. Energy Information Administration](#) reported that 34 million U.S. households (27% of all households) had difficulty meeting their energy needs in 2020, with 25 million (20% of all households) foregoing food and medicine to pay for utilities.

Playing a Crucial Role in Maintaining Family Stability and Positive Health Outcomes

LIHEAP's impact goes beyond providing bill payment assistance by playing a crucial role in maintaining family stability and improving health outcomes for vulnerable populations. It enables elderly citizens to live independently and ensures that young children have safe, warm homes to live in. Although the circumstances that lead each client to seek LIHEAP assistance are different, their stories are all connected through the programs' ability to enable people to cope with difficult circumstances with dignity.