

February 6, 2006

The Honorable William Frist
Majority Leader
United States Senate
509 Senate Hart Office Building
Washington, DC 20510

Dear Senator Frist:

As the winter deepens and the price of energy continues to rise, the nation's low-income citizens struggle to afford the basic necessity of home energy. Due to higher energy prices and an actual decline in available federal assistance through the Low-Income Home Energy Assistance Program (LIHEAP), these vulnerable citizens must spend more of their limited household budget to heat their homes. Without additional LIHEAP funding, some states may be forced to turn away requests for heating assistance. Therefore, the Coalition of Northeastern Governors (CONEG) strongly urges the Senate to make one of its immediate priorities the provision of an additional \$2 billion in FY 2006 LIHEAP funding. These additional funds are needed now if states are to provide timely assistance to these low-income families. Therefore, they should be distributed immediately to the states in a manner that enables the states to anticipate the level of LIHEAP funds that will be available to them in FY 2006, and provides the necessary funding to regions facing urgent needs in this winter season.

Home heating energy prices continue to rise, creating a growing home energy crisis for low-income citizens across the nation. Over the past five years, the average price of home heating oil and natural gas has more than doubled, and the number of families receiving LIHEAP assistance has increased approximately one-third. However, the level of federal LIHEAP assistance has increased only 20 percent during this same period, and actually declined this year. As a result, the purchase power of the LIHEAP assistance grant has plummeted. LIHEAP assistance once covered approximately half of a low-income family's average heating costs – now it covers less than 30 percent. For these families, the choice of how to spend limited funds – among such essential family priorities as shelter, food, energy, and health needs – has become even more difficult this year.

In response to high energy prices, states have stepped in to provide additional emergency energy assistance and supplement existing state-federal energy assistance programs. They alone cannot meet current needs. The CONEG Governors appreciate the \$181 million in contingency funds in the FY 2006 Labor/HHS Appropriations bill. We welcome the President's recent release of contingency funds, and have called for the release of all currently available contingency funding.

However, contingency funds, designed for true unforeseen events and energy emergencies, should not take the place of the regular LIHEAP block grant funding that provides certain and timely financial assistance.

In closing, the CONEG Governors urge prompt action by the Senate to provide an additional \$2 billion in FY 2006 LIHEAP funding – distributed immediately to the states in a manner that allows them to anticipate the level of funds available for this fiscal year, and provides the necessary additional funding to regions facing urgent needs in this winter season. Acting together, we can help the nation's most vulnerable citizens heat their homes this winter.

Sincerely,

/o.s./

Donald L. Carcieri
Chair
Governor of Rhode Island

/o.s./

John E. Baldacci
Past-Chair
Governor of Maine

Identical letters were also provided to the leadership of the House, as well as the Chairmen and Ranking Members of the House & Senate Appropriations Committees and Labor, HHS Subcommittees.