

CONEG

COALITION OF NORTHEASTERN GOVERNORS

Governor Donald L. Carcieri, Chairman
Governor Jon S. Corzine, Chairman-elect
Anne D. Stubbs, Executive Director

February 25, 2007

The Honorable George W. Bush
President
United States of America
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President:

As states across the nation grapple with the impacts of severe winter weather and rising prices for home energy, the Coalition of Northeastern Governors (CONEG) urges you to release immediately \$200 million in Low Income Home Energy Assistance (LIHEAP) emergency contingency funds.

The additional LIHEAP funds made available in FY 2006 allowed states nationwide to serve more of the eligible households (up to 20 percent) and to increase the average grant benefit – a modest but important step to counter the eroding purchasing power of the LIHEAP dollar. Last year, six million households received heating and cooling assistance, and a comparable number of requests is expected this year. However, the decline in FY 2007 federal LIHEAP funds, and the recent increase in home heating fuel prices, particularly home heating oil, propane and natural gas, is now stretching available federal and state resources.

In this peak heating season, when LIHEAP eligible households can expend up to 25 percent of their income on heating bills, many households have already exhausted their benefits. Some states have little or no funding remaining to address crisis cases – those households in imminent danger of a utility or fuel service cut-off. Without additional funds in this heating season, states must trim back current crisis assistance or be unable to assist those households which, due to significant arrears, will face a shut-off of utilities in April.

The immediate release of \$200 million in LIHEAP contingency funds will enable states to provide immediate assistance to help the nation's most vulnerable citizens – the elderly and disabled on fixed incomes and families with young children – afford the basic need of home energy. We urge your prompt action.

Sincerely,

/o.s./

Donald L. Carcieri
CONEG Chairman
Governor of Rhode Island

/o.s./

Jon S. Corzine
CONEG Chairman-elect
Governor of New Jersey

/o.s./

Jim Douglas
CONEG Vice-Chairman-elect
Governor of Vermont

/o.s./

John Lynch
CONEG Lead Governor
for LIHEAP
Governor of New Hampshire