

November 16, 2007

The Honorable David Obey  
Chairman  
Subcommittee on Labor, Health and Human  
Services, Education and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
2358 Rayburn House Office Building  
Washington, DC 20515-6024

The Honorable James T. Walsh  
Ranking Member  
Subcommittee on Labor, Health and Human  
Services, Education, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
1016 Longworth House Office Building  
Washington, DC 20515-6024

Dear Chairman Obey and Ranking Member Walsh:

As you begin to reconsider the FY2008 Labor, HHS, Education and Related Agencies Appropriations bill (H.R.3043), the Coalition of Northeastern Governors (CONEG) urges you to retain increased funding for the Low Income Home Energy Assistance Program (LIHEAP) at the level of \$1.98 billion for the regular LIHEAP program as well as at least \$431.585 million in contingency funding for energy emergencies. The Governors recognize the difficult fiscal challenges facing Congress this year, but prompt action to provide this modest increase in LIHEAP funding is vital to the nation's vulnerable, low income households faced with unaffordable home energy bills.

As home energy prices continue to rise dramatically, increased LIHEAP funding is critically needed. States have taken numerous measures to reduce the cost of the program and to stretch scarce federal dollars. However, the rising cost of home heating fuel has severely eroded the purchasing power of the LIHEAP dollar. According to the Energy Information Administration, the price of home heating oil in the Northeast has increased by 24 percent over this time last year. In many cases, the basic LIHEAP benefit is not enough to pay for the minimum delivery of home heating oil or kerosene.

A recent survey by the National Energy Assistance Directors' Association estimates that at least 1.2 million households were disconnected from electric and natural gas service during March – May of this year. We welcomed the recent release of the additional LIHEAP contingency funds provided by the Congress last year. However, much of these funds have already been absorbed as states provide crisis assistance to enable households to reconnect utility service before the cold weather takes hold. As a result, without timely action to provide increased LIHEAP funding, states across the country face the difficult decision of serving fewer households, reducing the level of the LIHEAP benefit, or closing the program early. Some Northeast states have already projected that they will run out of funds as early as mid-December.

The Honorable David Obey  
The Honorable James Walsh

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The Governors thank you for your past support of this vital program and urge you to provide increased FY2008 funding for the Low Income Home Energy Assistance Program at the level of \$1.98 billion for the regular LIHEAP program as well as at least \$431.585 million in contingency funding for energy emergencies.

Sincerely,

/o.s./  
Jon S. Corzine  
Chair  
Governor of New Jersey

/o.s./  
Jim Douglas  
Vice-Chair  
Governor of Vermont

/o.s./  
John Lynch  
Lead Governor for LIHEAP  
Governor of New Hampshire

*Identical letters were provided to the House and Senate Leadership and to the leadership of both House and Senate Appropriations Committees and their respective Labor, HHS, Education, and Related Agencies Subcommittee's.*