

# money short to help poor pay heating bills

 Politics Video



Obama Has

Town Hall In

East Los Angeles

CBS 2 / KCAL 9 Los Angeles

[» All news video](#)

## ELECTION 08



Home troubles

John Edwards' home  
state of South Carolina  
isn't turning out to be a  
paradise

By Tom Doggett

Fri Oct 19, 5:44 PM ET

Giuliani courts  
Christian  
Republican right

AFP

WASHINGTON (Reuters) - About 30 million low-income American households who will need help paying heating bills this winter from a U.S. government program will be left in the cold because of a lack of funding for the program.

The poor, already digging deep to pay for expensive gasoline, also will face much higher heating fuel costs, especially if oil prices stay near record levels.

ADVERTISEMENT

Consumer groups and state energy officials have sounded the alarm, saying a federal program to help poor families pay heating bills will have nowhere near the money needed to cover those expected to seek assistance.

The government's Low Income Home Energy Assistance Program, known as LIHEAP, only has enough funding to cover 16 percent of the 38 million poor households eligible for the program.

The current \$2.16 billion LIHEAP budget is only \$300 million more than what the program had when it was created by Congress in 1981. Despite higher energy costs, the Bush administration has proposed cutting the program's budget.

"We've got in essence the same level of funding, yet increasing energy costs," said David Fox, executive

director for the National Low Income Energy Consortium.

The Energy Department forecasts that household expenses for all heating fuels will rise this winter from last year, with costs for heating oil up 22 percent, propane up 16 percent, natural gas up 10 percent and residential electric bills up 4 percent.

"If it is a typical winter, it's going to be a real struggle for these (poor) households. If it's colder than normal all bets are off," Fox said.

Heating bills will be even higher if the recent jump in U.S. crude oil prices sticks. Oil has soared more than \$10 a barrel this month and topped a record \$90 on Friday at the New York Mercantile Exchange.

"These record prices will place a significant burden on low- and moderate-income families this winter," Mark Wolfe, executive director of the National Energy Assistance Directors' Association, said recently, appealing for more funds for

LIHEAP.

U.S. Energy Secretary Sam Bodman said on Friday that current oil prices were "far too high" and the White House said this week the Bush administration was concerned about the impact high energy prices have on low-income families.

Still, the administration did not back away from its threat to veto legislation to boost funding for LIHEAP to levels it has called too high.

LIHEAP has an interim annual budget of \$2.16 billion, but the White House wants to cut the program to \$1.78 billion for the 2008 spending year that began on October 1.

The House of Representatives has passed legislation to boost the program to \$2.66 billion, while a Senate committee has cleared a bill keeping LIHEAP at its current \$2.16 billion budget.

Fox pointed out that if funding for the program had increased to keep up with inflation each year since it began in 1981, LIHEAP would have a \$4.2 billion budget.


"The program has not kept up with the pace of demand or need," said Vivian Lausevic, spokeswoman for the American Gas Association (AGA). "Without question there's going to be higher demand for LIHEAP," she said.

The AGA has called for more funding for the program, not surprising when three out of five U.S. households depend on natural gas as their primary winter heating fuel.





About two-thirds of the households that receive LIHEAP assistance have annual incomes of less than \$20,000. Because more people asked for help, the average grant under the program fell from \$451 last year to \$314 this year.

[Email Story](#) [IM Story](#) [Printable View](#)

RECOMMEND THIS STORY

Recommend It: Average (106 votes)  [» Recommended Stories](#)

**Politics Video**

-  [Giuliani courts Christian Republican right](#) AFP - 2 hours, 47 minutes ago
-  [President Bush Visits St. Michaels](#) WJZ 13 Baltimore - Sat Oct 20, 11:14 PM ET
-  [Obama Has Town Hall In East Los Angeles](#) CBS 2 / KCAL 9 Los Angeles - Sat Oct 20, 10:22 PM ET
-  [AG Lori Swanson Talks Ticket Scalping](#) WCCO Minneapolis - 1 hour, 28 minutes ago

Sponsored Links

[\(What's this?\)](#)