



August 12, 2008

FACT SHEET: LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

Need is Great for FY 09 Funding for Fuel Assistance Program

FY 08 PROGRAM OVERVIEW:

Households served: 135,000 – 140,000 (est.) [40,000 of those heat w. oil]

Household income: 1/3 of households below Fed. Pov. Level (\$20,650, fam. of 4)
1/2 below 125% of FPL (\$25,800, fam. of 4)

1/3 elderly

FY 08 benefit levels: \$1165 (oil/kerosene/propane)
\$1025 (electric/gas)

FY 09 projected benefit levels: \$503 (maximum), down to \$345

For oil-heat households, the maximum FY 09 benefit will purchase less than ½ tank of oil at current prices— enough to last 2 – 3 weeks in the winter.

Electric and gas households have very large arrearages:

[See NCLC's "May 2008 Briefing Paper: ENERGY PRICES OUT OF REACH FOR MANY MORE MASSACHUSETTS HOUSEHOLDS; THOUSANDS OF UTILITY TERMINATIONS LOOMING"]

FY 08 DETAIL:

Massachusetts had only slightly more fuel assistance funding available this past winter (FY 08) than just two years ago (FY 06) to help elderly, poor and working families pay their winter heating bills, at the same time that oil-heat prices have shot up 85% in the past year alone. MA had a total of \$139 M available for fuel assistance for the winter of 07 – 08, compared to \$137 M two years ago, despite a supplemental state appropriation of \$15 million in November 2007; a release of \$450 M in federal emergency funds in

January 2008 (MA share of fed. release = \$27 M); and a second release of emergency federal funding that brought MA \$4.9 M.

FY 09 OVERVIEW:

The President's FY 09 budget seeks only \$2 billion in funding for fuel assistance, a **22% cut** from this year's (FY 08) funding of \$2.57 B. MA stands to lose almost \$20 M in funding if the President's budget prevails. DHCD projects that **benefit levels will be \$503 per household at the maximum (for the poorest households), and \$345 for households with incomes between 175% and 200% of poverty. This is down from the FY 08 maximum benefit of \$1165.** MASSCAP and NCLC believe that the \$50 million emergency energy reserve fund proposed by Senator Pacheco in his recent report on fuel assistance is the **absolute minimum** needed to stave off an anticipated wave of thousands of utility shut-offs this spring and summer; avoid substantial hardship next winter; and to reduce the risk of public health and safety hazards that arise when families resort to unsafe heating and lighting source such as kitchen stoves, over-loaded space heaters and candles.

FOR MORE INFORMATION CONTACT:

Charlie Harak
National Consumer Law Center
617 542-8010
charak@nclc.org

Joe Diamond
Mass. Community Action Association
617-357-6086
joediamond@masscap.org