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CONGRESSIONAL LEADERS DROP ADDED LOW-INCOME ENERGY ASSISTANCE Move Is Unnecessary and Means Poor Will Receive No Extra Help Now Against High Home Heating Costs

Forced to drop a controversial provision authorizing oil drilling in the Arctic National Wildlife Refuge (ANWR) from the defense appropriations bill, Senate leaders also stripped from the bill a provision adding \$2 billion in badly needed energy assistance funding this winter for low-income households. This development, which early media accounts have misreported, was not necessitated by the removal of the ANWR provision and will result in greater hardship for large numbers of low-income Americans this winter, a new Center analysis explains.

Studies demonstrate that poor families that face high heating costs in winter months and do not receive adequate assistance often cut back on expenditures for food and other necessities, and that adverse effects on children can result.

The stripping of funding for the Low-Income Home Energy Assistance Program (LIHEAP) from the defense appropriations bill means that despite the large jump in home heating prices this year, LIHEAP funding not only will *not* increase to meet the added need for heating assistance, but will actually *decline* because of the 1 percent across-the-board cut in discretionary funding contained in the defense bill (which the Senate approved yesterday).

“Over the past few months, congressional leaders have been more interested in using the needed increase in LIHEAP funds as a sweetener for controversial measures like ANWR than in actually passing legislation to help low-income households cope with higher home heating costs,” stated Center Executive Director Robert Greenstein. “Even though there is bipartisan support in Congress for providing added LIHEAP funds, congressional leaders stripped those funds out of the defense bill the minute they could no longer use them to help get ANWR enacted.”

In recent months, congressional leaders have consistently opposed adding the extra LIHEAP funds to other appropriations bills. Instead, they first attached the funds to the House budget reconciliation bill to help that bill narrowly get through the House floor. Then, when the ANWR provision was placed in the defense appropriations bill, the LIHEAP funds for this winter were moved with it, in an apparent effort to secure support for a bill that included Arctic drilling. Now Congress is leaving town — in the case of the House, until January 31 — without providing added LIHEAP funds.

\$2 Billion in LIHEAP Funding Unrelated to ANWR

Congressional leaders may claim that the removal of the ANWR provision from the defense appropriations bill made it necessary to remove the added LIHEAP funds as well,

since some of the federal receipts from ANWR oil production were slated to be dedicated to LIHEAP. Such a claim, however, would be false.

The bill contained *two* LIHEAP-related provisions, only one of which — the provision related to ANWR receipts, which would not have taken effect until 2008 — was related to ANWR. The other provision was a straightforward appropriation of \$2 billion in general funds for LIHEAP in fiscal year 2006. The latter had no connection to ANWR (other than a political one) and did not need to be removed when the ANWR provision was eliminated.

The dropping of the extra LIHEAP funds comes less than two weeks after the Administration rejected a request by several states to update their food stamp benefit levels now to reflect the higher home heating costs projected for this winter, which will leave low-income households with less money for food in the next few months. As a result of the Administration's decision, which Center analyses have found to be contrary to the spirit of the Food Stamp Act, many states will effectively be forced to base this winter's food stamp benefit levels on *last* winter's heating bills. The Administration justified the food stamp decision in part on the grounds that more LIHEAP funds would be forthcoming.

These developments are expected to force large numbers of low-income Americans to do without adequate heat in coming months or cut back on food and other essentials.

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