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**Extra Home Heating Assistance Headed South This Winter?
Bill Would Give Largest Increases to Warm-Weather States**

A House-passed bill currently being negotiated with the Senate would nearly triple federal energy assistance to warm-weather states like Florida, Texas, and Arizona while providing cold-weather states with only minimal increases, according to a new report from the Center on Budget and Policy Priorities.

“With energy prices dramatically higher than last year, the House bill would provide too little money to meet the need for heating assistance this winter, and would distribute the funds in a way that leaves residents of northern states out in the cold,” said Aviva Aron-Dine, research assistant at the Center and co-author of the new report. “Many residents of cold-weather states are going to face difficult choices this winter between heating their homes and paying for rent, groceries, and medication.”

The Department of Energy predicts that natural gas prices will be 44 percent higher than last year, and prices of other winter heating fuels will be significantly higher as well. In response, the U.S. House of Representatives recently approved a \$1 billion increase in funding for the Low-Income Home Energy Assistance Program (LIHEAP). However, an increase of more than double that amount would be needed to meet the needs of this year’s new LIHEAP applicants while also helping those assisted last year, the Center analysis found.

Moreover, while the House bill could easily have permitted the extra funds to be targeted to the states that most need them, instead it relies on LIHEAP’s standard funding formula, which distributes LIHEAP funds both to warm-weather states (where they provide cooling assistance in the summer) and cold-weather states (where they provide heating assistance in the winter).

The bill’s failure to target the funds where they are most needed means that many warm-weather states would receive large increases in LIHEAP funding, while many cold-weather states would benefit little. Not one of the ten states that would receive the largest percentage increase in LIHEAP funding is in the northern part of the country.

States with Largest % Increase in LIHEAP Funds		States with Smallest % Increase in LIHEAP Funds	
Florida	172%	Maine	2%
Texas	175%	Minnesota	2%
Nevada	175%	Wisconsin	2%
Louisiana	176%	Iowa	3%
Arizona	177%	Washington	4%

Such a funding distribution makes little sense, the Center’s report explains. Not only are residents of northern states already facing wintry conditions and thus in need of extra LIHEAP assistance, but states that use LIHEAP funding primarily to provide cooling assistance will have less need for increased funding this year, since cooling is fueled mostly by electricity, and electricity prices are projected to increase only slightly.

The full report, along with state-by-state data, is available at: <http://www.cbpp.org/12-9-05bud.pdf>. For additional information on funding needs for the Low-Income Home Energy Assistance Program, visit <http://www.cbpp.org/10-6-05bud.pdf>.

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