

FLORIDA ENERGY AFFORDABILITY COALITION

"Public, private and nonprofit organizations partnering to make energy more affordable for low-to-moderate income Floridians"

FLEAC Leadership Team

April 2nd, 2009

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nzalezThe Honorable Debbie Wasserman-Schultz
United States House of Representatives
118 Cannon H.O.B
Washington, D.C. 20515

Re: Support of \$5.1 billion for LIHEAP funding – FY 2010

Dear Representative Wasserman-Schultz:

In your role as a member of the Appropriations Committee, we know you are concerned about doing what's best for ALL citizens. Given our shared interests and on behalf of the citizens of Florida, the Florida Energy Affordability Coalition (FLEAC) wants you to know that we too are concerned about the health, safety and well-being of all American families.

FLEAC's mission is to facilitate assistance to improve the well-being of families experiencing difficulty paying for energy. As such, we are working to bring together public, private and nonprofit sector organizations seeking to make energy more affordable for low-to-moderate income Floridians – and **we need your help!**

We first want to thank you for your past efforts regarding LIHEAP funding, and commend your role in achieving \$5.1 billion for FY 2009. Given today's economic situation, as well as the likely increases in energy bills due to rate cases throughout the state, it's important that we all do what we can to keep the LIHEAP funding at the full authorized amount for FY 2010.

Specifically, President Obama's 2010 budget proposes \$3.2 billion for LIHEAP, or a reduction of almost \$2 billion from this year's funding. In addition, it is tied to a new trigger mechanism that may, but likely will not, provide for limited additional funding. This new trigger mechanism clearly favors heating fuels over electricity, so it's unlikely that Florida would ever see any additional funding that might be released.

As Congress assesses LIHEAP funding for FY 2010, please consider the following facts:

- LIHEAP's \$5.1 billion nationwide appropriation for FY 2009 netted \$101.7 million for Florida, based on the "old" formula
- Even with the increased funding, we expect no more than 15-20% of eligible Florida households will receive assistance, well below the national average of over 25%
- Such reductions, if allowed to occur, will fall most heavily upon our state, where depending on how the US funds are parsed by Congress the reduction could be as large and as severe as a 75% loss to Florida, reinstating traditional funding levels of around \$27-28 million.

Phone: (305) 552–3274 Website: www.FLEAC.net

LENC Leadership Te

Chairperson Louis Gonzalez

Vice Chairperson John Edwards

Secretary Hilda Frazier

Associate Secretary Jennifer Felder

Coalition Members

Florida Council on Aging

Florida Association for Community Action

Florida Association of Area Agencies on Aging

Florida Department of Community Affairs

Florida Department of Elder Affairs

Florida Electric Cooperatives Association

Florida Municipal Electric Association

Florida Power & Light Co

Gulf Power Company

Progress Energy FL

The Salvation Army

Tampa Electric Company

Florida Public Service Commission (Advisor)

- If the program were to be cut to \$3.2 billion next year, it would likely result in the loss of funding for two million otherwise eligible households nationwide, including hundreds of thousands in Florida.
- Cutting the program back in this fragile economy will only make matters worse for those already at the greatest risk.

<u>The best way to prevent this scenario is to ensure LIHEAP is again fully funded, which means it again needs</u> <u>a \$5.1 billion appropriation in FY2010.</u>

In order to benefit Florida's families in need, funds must be substantially allocated to base grants, and the program's Tier 2 and Tier 3 ("new") formula elements must be used to control the allocation of these grants. Doing so will mean that all states get a fair share of the new funding – and families in all the states of this great nation will have increased opportunity to apply for this much-needed assistance. Specifically, if the new formula is applied, Florida's share of the \$5.1 billion for FY 2010 should exceed \$135 million.

Therefore, the members of the Florida Energy Affordability Coalition listed below urge you to do everything possible to ensure that LIHEAP is funded to the fully authorized level of \$5.1 billion for FY 2010.

- Florida Council on Aging
- Florida Association for Community Action
- Florida Association of Area Agencies on Aging
- Florida Department of Community Affairs
- Florida Electric Cooperatives Association
- Florida Municipal Electric Association
- Florida Power & Light Co
- Gulf Power Company
- Progress Energy FL
- The Salvation Army
- Tampa Electric Company

Thanks to your leadership, the House has shown bipartisan support for LIHEAP and Weatherization, and we thank you for your commitment to helping low-income families – and for your support of this request.

Sincerely,

John Edwards Vice Chairperson Florida Energy Affordability Coalition

 cc: The Honorable John A. Boehner, Minority Leader - US House of Representatives The Honorable David R. Obey, Chairman - Committee on Appropriations - US House of Representatives The Honorable Jerry Lewis, Ranking Member - Committee on Appropriations - US House of Representatives FLEAC Coalition representatives