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Testimony on State Funding for LIHEAP
House Appropriations Committee
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Thank you for this opportunity to speak today about the Governor's proposed FY16 budget. Today, I am asking that the Committee reinstate state funding for the Low-Income Home Energy Assistance Program, known as LIHEAP. Our mission at Hunger Free Vermont is to end the injustice of hunger and malnutrition for all Vermonters. While we are focused on access to food and nutrition, the reality is that hunger is just one piece of the puzzle that builds economic security and lifts a Vermonter out of poverty in a permanent and sustainable way. We cannot end hunger without also helping Vermonters meet all of their basic needs with dignity and respect.

LIHEAP has proven to be an effective and necessary support for thousands of Vermonters. We all know how expensive it can be to heat our homes, and LIHEAP helps over 51,000 households make it through the winter. 24,000 of these households receive a small annual \$21 "Heat and Eat" benefit, which helps them receive a higher 3SquaresVT food benefit, keeping them from having to make the impossible choice between feeding their family and heating their home. Thanks to commitment of the Governor, Administration, and the Legislature last year, Vermont was one of only a few states in the country to retain this important connection between LIHEAP and food assistance. Not only does it help Vermonters in need, it is extremely cost effective. **By providing about \$500,000 of state LIHEAP funding to these 24,000 households, Vermont receives \$17 million in additional 3SquaresVT benefits.** That is an incredible source of leverage to help put more money in Vermonter's wallets, which is then spent in local grocery stores and farmers' markets, supporting our local economy. The funding for the Heat and Eat portion of LIHEAP must come from the state; without state funding, the program, and the \$17 million in 3SquaresVT benefits will be lost. We support DCF's proposal to keep Heat and Eat in place by appropriating 15% of federal LIHEAP dollars to the Weatherization program and the equivalent from state Weatherization program funds to LIHEAP.

Even with this shifting in funding sources, we are still looking at a \$6 million cut in LIHEAP. This year, the average benefit for the 25,000 households receiving a full liability benefit is \$783. This represents a range of about \$200 to \$1,200. For most households the LIHEAP benefit is certainly not enough to cover their heating costs for the entire winter. **Many of the households receiving a benefit on the lower end of the scale are not even receiving enough to reach the minimum for a single fuel delivery.** While fuel prices may have dropped earlier in the year, they bottomed out in mid-February, and are rising again at an alarming rate. Given this, low-income households are forced to make decisions about which basic needs they must live without. When looking for room in a budget, food is often the most flexible. Households can't pay for half of a fuel delivery; they can't pay for half of their rent; and if their car breaks down they either have to pay to fix it, or miss work. A household can, however, choose to purchase cheaper, less nutritious food, or simply less food overall. We hear parents say that they can only afford enough vegetables for their kids, so they are going without. We hear seniors say that they simply skip meals and drink tea instead. **We hear Vermonters of all ages say that they run out of food partway through the month and are forced to rely on food pantries and often go to bed hungry.**



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With a \$6 million cut to LIHEAP funding, we expect the average benefit to decrease from \$783 to \$545 in 2016. **If Vermonters are already struggling to heat their home, and are often going hungry in order to do so, how will they make up this new \$283 shortfall?** They will do so by visiting already strapped food shelves more often; by eliminating costly, but nutritious foods like fruits and vegetables from their entire family's diet; and by going to bed hungry. They will also likely not be able to keep their home at a safe temperature, and may not be able to meet other basic needs like paying for shelter and medication. This \$6 million cut to LIHEAP will have impacts that cut much deeper than a simple decrease in fuel assistance. It will impact more than 50,000 Vermonters' ability to survive and decrease their chances of moving beyond needing government assistance. We want all Vermonters to not only survive, but thrive in our state. Supporting our low-income residents with a strong and stable safety net as they try to stretch their budget and make ends meet is crucial to their success. Thank you for your consideration and your efforts to protect vulnerable Vermonters in this difficult budget climate.