

Congress of the United States
Washington, DC 20515

April 17, 2014

The Honorable Kathleen Sebelius
Secretary of Health and Human Services
United States Department of Health and Human Services
200 Independence Avenue S.W.
Washington, D.C., 20201

Dear Secretary Sebelius:

We are writing today to request certain information relating to the Low Income Home Energy Assistance Program (LIHEAP) and the Department of Health and Human Services' (HHS) oversight of this program.

LIHEAP is intended to help families with energy costs associated with home energy bills, energy crises, such as shut-off notices, and weatherization. Given the program's core mission, households that receive LIHEAP's benefits should be households with out of pocket energy expenses. As a result, these households are not asked to verify their utility expenses when applying for benefits under the Supplemental Nutrition Assistance Program (SNAP). Instead, they are presumed to have heating or cooling costs and automatically qualify for a standard utility allowance (SUA) when states calculate the households' net income. We understand this relationship has been an important means for states to simplify and streamline SNAP administration.

Prior to enactment of the Agricultural Act of 2014 (the "Farm Bill"), we learned some states were allowing their LIHEAP program to make small nominal payments, sometimes as low as 10 cents per year, to households without actual utility expenses with the goal of artificially inflating benefit levels for certain SNAP households.

Congress responded by including a statutory change in the Farm Bill that requires a LIHEAP payment be at least \$20 before the household would qualify for an SUA under SNAP. Our goal was to maintain the administrative convenience offered by the relationship between the two programs while ensuring that SNAP's benefit calculation of net income only reflect energy expenses for those households that actually incur such costs. With this change, we expected states would curb the practice of creating inappropriate LIHEAP programs to leverage SNAP benefits and protect LIHEAP benefits for those low-income families and seniors who are eligible for the energy assistance.

Since enactment of the Farm Bill, several states have announced that they will take action to raise their minimal LIHEAP payment to \$20 for the sole purpose of maintaining higher SNAP benefit levels. These states have not described how these revised LIHEAP payments will affect energy assistance to eligible low income households consistent with the statutory purpose of

LIHEAP. It is also not clear what oversight HHS has conducted or plans to conduct regarding this change in LIHEAP payments, which are contrary to the statute's purpose.

Since the enactment of the Farm Bill, the way in which some states are misusing LIHEAP payments may prevent families who are eligible for LIHEAP from receiving this assistance. The Congressional Research Service reports LIHEAP funding is not sufficient to assist every household that is eligible for the program. In FY 2009, HHS estimated that 35 million households were eligible for LIHEAP, yet roughly one-fifth of those eligible received any heating and/or cooling assistance that year. LIHEAP advocates came to the Hill just last month to ask Congress to increase funding for the program while HHS continues to allow states to misuse the current appropriation.

In order to better understand how HHS is conducting oversight of this program, we ask you provide us with the following information no later than May 1, 2014:

1. How will your agency review states' LIHEAP plans that are providing new minimal payments to SNAP households?
2. What guidelines are you giving states for these payments and what standards must states meet to ensure that such households have energy needs consistent with LIHEAP's statutory purpose?
3. If states are issuing LIHEAP payments to households with no out of pocket energy expenses, what action will HHS take to remedy this outcome?

Please do not hesitate to contact our offices with any questions. We look forward to your prompt response.

Sincerely,



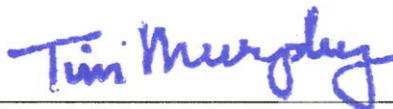
Frank D. Lucas, Chairman
House Committee on Agriculture



Fred Upton, Chairman
House Committee on Energy and Commerce



Steve King, Chairman
Subcommittee on Department Operations,
Oversight, and Nutrition
House Committee on Agriculture



Tim Murphy, Chairman
Subcommittee on Oversight and
Investigations
House Committee on Energy and Commerce