



National Association for State Community Services Programs

National Press Club Briefing February 13, 2007 1:00 p.m.

Good Afternoon. My name is Robert Adams and I currently serve as the Director of Weatherization Services for the National Association for State Community Services Programs here in Washington, DC. Our organization represents the state administrators for the Weatherization Assistance Program and the Community Services Block Grant, as well as advocacy for several other important federal programs. Our members are the grantees of the Weatherization Program and receive these funds to operate this important residential initiative in their respective states.

You have heard from Ms. Choate and Mr. Wolfe about the plight of low-income families in America as they face escalating fuel costs and ever decreasing resources to pay bills. I would like to talk about one specific program that has been achieving remarkable success for nearly 30 years. A program that operates in every city, town and rural community in the country. A program that has served more than 5.5 million families with permanent energy efficiency improvements, most of which are still saving energy today as a result of the investments made long ago. I'm referring of course to the Weatherization Assistance Program.

This Program is the Department of Energy's core response to reducing energy costs for low-income families through increased home energy efficiency, while ensuring their health and safety. These families often must make hard choices between heating and cooling their homes and other necessities like food, clothing and medicine. On average, these families will spend more than 15% of their annual income on energy, compared to 3.5% in most homes across the country. These families need help in reducing their heavy energy burden – fuel assistance to pay the bills and Weatherization to permanently reduce their energy needs. These are two programs that serve as both sides of the same coin – pay the bill while the emergency faces the family today and install long-term energy conservation measures to help reduce their energy bills in the future. A worthwhile and successful strategy indeed.

In a complete reversal of the Bush Administration's ten-year commitment to the Weatherization Assistance Program, outlined in his 2000 National Energy Policy, the President has called for a \$78 million, or a 33 percent, decrease in Weatherization funding for 2007. This action will reduce the state grant appropriations for this Program from \$242.5 million this year to \$164.2 million next year. This unwarranted funding reduction will force states to deny much needed energy efficiency services to more than 33,000 low-income, elderly and working poor families in 2007.

It is important to note that after Weatherization services are provided, the average family saves about \$400 per year (based on current energy prices). The savings potential for these efficiency services (like insulation, furnace replacement, air infiltration reduction, and others) lasts more than 15 years in most cases. This means that each family could save more than \$6,000 over the life of the services installed with a modest national average investment of only \$2,900 per home.

The 33,000 families who will be denied Weatherization services this year will have to spend an additional \$198 million from their meager incomes to pay for energy that could have been saved if the homes were weatherized in 2007.

At a time when the plight of low-income families is at its greatest, the President's 2007 Budget reveals one very startling fact – low-income families will receive less help and will surely be worse off as a result of the realignment of the Administration's priorities in the area of energy efficiency. The President has fallen well short of his original commitment to the Weatherization Program, having only delivered about 26 percent of what he promised to low-income families in 2000.

The President has re-aligned the priorities of the Department of Energy to reflect higher investments in research and development. We all recognize the importance of investments in the future but we cannot make these investments at the expense of low-income families who already can't afford to maintain and heat or cool their homes today. We applaud the President's foresight in helping us reduce our dependence on foreign oil but it is unlikely that these low-income families will soon be purchasing hybrid vehicles; or reap any economic benefit from cleaner electricity technologies; or be able to use hydrogen and fuel cell technology to help put food on their tables and keep them warm. And we agree that research and development for new and innovative energy solutions should be a priority. If the President feels so strongly about this issue, then the Department of Energy's budget should have been increased to allow for this investment and the money should not have been taken from the pockets of poor families in America least able to pay the R&D bill.

Congress established an authorization level of \$600 million for the Weatherization Program in 2007 as part of the Energy Policy Act signed into law by the President last year. The National Association for State Community Services Programs and its state members will ask Congress to reject the President's current 2007 request to reduce funding for the Weatherization Assistance Program. The Association will join with other national organizations like those who are speaking today to help move the 2007 appropriations back in line with the President's original commitment to this Program.

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