



COMMONWEALTH OF KENTUCKY
OFFICE OF THE ATTORNEY GENERAL

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February 22, 2018

Senator Mitch McConnell
317 Russell Senate Office Building
Washington, D.C., 20510

Senator Rand Paul
167 Russell Senate Office Building
Washington, D.C., 20510

Representative Andy Barr
1427 Longworth House Office Building
Washington, D.C. 20515

Representative James Comer
1513 Longworth House Office Building
Washington, D.C. 20515

Representative Brett Guthrie
2434 Rayburn House Office Building
Washington, D.C., 20515

Representative Thomas Massie
2453 Rayburn House Office Building
Washington, D.C., 20515

Representative Hal Rogers
2406 Rayburn House Office Building
Washington, D.C., 20515

Representative John Yarmuth
131 Cannon House Office Building
Washington, D.C., 20515

Dear Members of the Kentucky Congressional Delegation:

As Kentucky's Attorney General, it is my job to protect Kentucky families. In that role, I am writing to raise two specific concerns on the budget recently submitted by the President to Congress. These concerns include the budget's elimination of the Low Income Housing Energy Assistance Program and Community Development Block Grants ("CDBG"). If passed, these eliminations would threaten the lives of hundreds of thousands of Kentuckians that are (1) trying to survive winter, and/or (2) trying to overcome addiction.

In a time of ever-increasing utility rate fees, the Low Income Housing Energy Assistance Program, better known as LIHEAP, helps Kentuckians who cannot afford to keep their homes heated and their lights on. Last year, the Subsidy component of LIHEAP's Bill Payment offset heating costs for over 80,000 Kentucky households with an average one-time benefit of \$138 per household. The Crisis component of the Bill Payment plan helped over 79,000 Kentuckians that experienced an energy crisis such as pending utility disconnections. In total, more than 116,000 Kentucky families received benefits totaling more than \$35 million. Even though my Office of Rate Intervention fights to keep rates reasonable and affordable for customers, many Kentuckians would still suffer from a lack of basic needs if this program were to be defunded.

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As you are aware, many Kentucky counties, especially in the Appalachian region, have struggled with a drastic loss of jobs. For many of these counties, CDBG funding is the only grant program from which they can draw upon to improve their communities. CDBG funds provide approximately \$22 million annually to help primarily rural counties across the state better serve their citizens, bolster economic development, repair disaster-stricken areas, expand water and wastewater systems, and develop safe, clean and affordable housing.

Beginning in 2005, CDBG Housing Programs Grant funds have also been utilized to support substance abuse treatment through the Recovery Kentucky residential program. This unique model leverages funds from CDBG, the Kentucky Housing Corporation, the Kentucky Department of Corrections, Low Income Housing Tax Credits and Federal HOME and Affordable Housing Trust Fund dollars to construct and provide operating dollars for high quality treatment services to our most desperate citizens. There are now 17 Recovery Kentucky centers, including the original model programs in Louisville and Lexington, and an additional 5 women's centers and eight men's centers, each housing 100 clients. A 2017 study by the University of Kentucky shows the program works: after one year of program participation 84 percent of users were drug free and 94 percent of clients previously addicted to opioids were drug free. Remarkably, this program also shows a 3:1 return on investment.

This highly successful and much-needed program runs the risk of being significantly and negatively impacted should the CDBG program be eliminated.

Both CDBG and LIHEAP provide critical assistance for Kentuckians most in need. On behalf of all Kentuckians, I am asking that you oppose the elimination of these programs. The lives of our families may depend on it.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andy Beshear', with a long horizontal flourish extending to the right.

Andy Beshear
Attorney General