



For Immediate Release:
January 20, 2015

Contact: Michael Shalley, Member Services Director
517-679-6403, mshalley@michigancommunityaction.org

MCA applauds signing of weatherization funding bill

Michigan homes will become safer and more energy efficient thanks to legislation signed Jan. 10 by Gov. Rick Snyder that earmarks funding for weatherization. The goal is to weatherize between 1,000 - 2,000 homes with these funds.

The new law requires, beginning with the current 2014-15 fiscal year, that the Michigan Weatherization Assistance Program administered by the Department of Human Services receives at least \$5 million or \$6 million annually from the federal Low-Income Home Energy Assistance Program (LIHEAP), depending on the amount of each year's LIHEAP appropriation from the federal government. As part of the legislation, a new provision was added that rental homes weatherized with LIHEAP will require at least a 25% match or cost share by the property owner.

"This is common-sense, cost-effective legislation that will benefit residents and communities throughout the state," says Kate White, executive director of Michigan Community Action, who testified before the Legislature in favor of the measure. "The stabilization of weatherization funding will improve the lives of thousands of Michigan residents and help the agencies that perform weatherization upgrades to operate more efficiently."

Weatherization programs are designed to reduce heating and cooling costs and energy use for low-income homes. Some of the services performed by weatherization programs include wall and attic insulation, programmable thermostats and window and door sealing.

White noted that data from the Michigan Public Service Commission show that every dollar invested in energy efficiency results in \$3 to \$4 worth of savings.

“The benefits of weatherization are demonstrable and wide-ranging,” she explains. “Not only does it help protect our environment by reducing energy use, but it helps the economy as well. When residents pay less for their utility bills, they have more funds available for necessities that they buy from local shops and businesses.”

During the 2013-14 fiscal year that ended Sept. 30, the state spent \$3.8 million on weatherization out of the \$180.3 million in LIHEAP funding it received from the federal government. White said there is a backlog of 20,000 families waiting to get their homes weatherized. “While the new 25% cost share provision may be new for some communities, and disqualify some homes from LIHEAP Weatherization, we hope that landlords will work with Community Action Agencies to improve the quality of Michigan’s housing for low income families and help with energy conservation.”

Under the new law, at least \$6 million would go toward weatherization provided that the state’s LIHEAP allocation is at least 90 percent of what it was in the preceding fiscal year. If the amount drops below 90 percent, then the state would have to spend at least \$5 million on weatherization.

Founded in 1975, Michigan Community Action serves its 29 member agencies throughout Michigan by strengthening their capacity to alleviate the causes and circumstances of poverty in all 83 counties.