



United Way
for Southeastern Michigan

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Testimony from Dr. Darienne Hudson regarding the Michigan Energy Assistance Program Provided to the House Energy, Communications, and Technology Committee, April 17, 2024

Good morning, Chair Scott, Majority Vice Chair Andrews, Minority Vice Chair Wendzel, and members of the Committee,

Thank you for the opportunity to speak with you today about the Michigan Energy Assistance Program.

My name is Dr. Darienne Hudson, and I am the President and CEO of United Way for Southeastern Michigan, and I'm joined by Sean Scane, our Director of Utility Services. Our United Way is an impact-focused, community-based nonprofit working every day to provide programs and resources that move struggling households in Macomb, Oakland, Washtenaw, and Wayne counties from crisis to stability and from stability to prosperity.

Our organization serves as one of the administrators for the Michigan Energy Assistance Program. In this role, not only do we help residents access financial support for utility bills, but we use the opportunity to connect them with a wide range of other services to help them move toward financial stability. I'm here today to tell you that we at United Way know first-hand how great the need is for this program in our community.

The ALICE report, produced by the Michigan Association of United Ways, measures the cost of a basic, no-frills household monthly budget and compares that with what individuals are actually earning. The study shows us that 39% of households in Michigan cannot afford their most basic needs, including utilities. It also shows us that in many communities across Michigan, a household must earn well above 200 percent of the federal poverty level in order to cover the cost of those basic expenses. Currently, the Michigan Energy Assistance Program is only available to those making 150 percent of the federal poverty level or less. This leaves a significant number of families unable to afford their utilities ineligible to access this crucial service.

As you may know, United Way for Southeastern Michigan also operates the 2-1-1 call center serving Oakland, Macomb, Washtenaw, Wayne, and Lapeer Counties. In our service area in 2023 alone, utility payment assistance was the most requested service, with more than 40,000 requests. Unfortunately, this was also the most unmet need in 2023, with nearly 1,000 households reaching out for support but not being eligible for the program. Our MEAP team members and Community Care Advocates take these calls each day, and hear the anxieties, worries, and exhaustion of families who are desperate to find assistance only to learn that they earn just a few dollars too much to qualify.

But eligibility is not the only barrier we're facing. Currently, MEAP is not sufficiently resourced to meet demand. While the program runs through October, our funding is often fully committed to applicants by May or June. While one might naturally think of winter as the time of highest demand for utility assistance, last year, May was our busiest month because we were one of the only

agencies in the state still enrolling people as most other grantees' funds had run out. By June, we had to pause enrollments ourselves, even though significant need remained.

For these reasons, United Way for Southeastern Michigan strongly encourages that additional funding be invested into MEAP and that the income eligibility level be raised to better reflect the ALICE Survivability Threshold, giving more struggling households the support they need to make ends meet.

No family should have to choose between whether to pay rent, put food on the table, or keep their heat on, and MEAP is an important tool we have to provide essential support in a household's time of need.

We appreciate your continued work to ensure all families in our state are able to meet their most basic needs. Thank you again for the opportunity to share this information with you today and for your service and commitment to the betterment of our state.

I'd be happy to answer any questions you have.

Dr. Darienne Hudson
President and CEO
United Way for Southeastern Michigan