

As winter months approach, LIHEAP low income heating program still non-functional after entire staff laid off

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With the winter months approaching in the United States, millions of low-income households are in danger of being unable to pay for heating. In April, President Donald Trump fired all federal employees managing the Low Income Home Energy Assistance Program (LIHEAP) energy assistance program. The program dispenses \$4.1 billion annually in grant money to all 50 states.

LIHEAP was created by Congress in 1981. It helps older adults, families with small children, people with disabilities and other vulnerable households to afford their home energy bills. It keeps the heat on in the winter and cooling on in the summer for 6.2 million families each year. Without this assistance, struggling families would be unable to afford utilities, threatening countless lives.

Driven substantially by greater temperature extremes due to climate change, the rate of freezing deaths in America has more than doubled since 1999, from 0.44 per 100,000 to 0.92 per 100,000. The elderly and minorities are disproportionately affected, the former due to the weakening of the body's ability to regulate temperature and the latter due to a higher rate of homes with substandard insulation and heating. More than 19,000 Americans have frozen to death since 1979.

In addition, more than 400 die every year and 14,000 hospitalized due to unintentional, non-fire-related exposure to carbon monoxide. Many of these cases are due to running portable heaters and other desperate measures taken to keep warm without adequate utilities.

The LIHEAP program was never fully funded. Each fall, people would have to hurry to submit their applications to ensure some assistance before the funds

ran out. Even those who received payments would often run out before the end of winter.

Trump has now further cut this program. There is around \$378 million remaining in unreleased LIHEAP funds to distribute to states. Typically, these reserved funds are used for "energy emergencies," usually for severe weather events such as hurricanes and tornadoes.

But this money has been effectively "frozen" by Trump's executive fiat. He has usurped the power of Congress over the budget by firing the entire staff required to dispense them.

While Trump's mass firing of the entire LIHEAP staff threatens to turn off the power for millions of Americans, electricity bills are climbing nationwide, rising faster than inflation in many places, the explosive growth of AI and the massive data centers behind it are driving demand and straining the grid.

Some data centers could require more electricity than cities the size of Pittsburgh, Cleveland or New Orleans, and make huge factories look tiny by comparison. There is growing evidence that suggests the electricity bills of some Americans are rising to subsidize the massive energy needs of Big Tech.

As a result, many ratepayers have found that their electricity bills are rising at an alarming pace. Many people have lowered their energy usage, but their bills continue to rise. But the companies behind the data centers, tech giants like Amazon and Meta, are frequently able to score reduced rates with local governments and utilities companies.

Ari Peskoe, Director of the Electricity Law Initiative at Harvard's Environmental & Energy Law Program, described in a recent paper how government-regulated

utility rates “socialize” a utility’s costs of providing electricity service to the public. “When a utility expands its system in anticipation of growing consumer demand, ratepayers share the costs of that expansion based on the premise that society benefits from growing electricity use. But data centers are upending this long-standing model. The very same utility rate structures that have spread the costs of reliable power delivery for everyone are now forcing the public to pay for infrastructure designed to supply a handful of wealthy corporations.”

Monitoring Analytics, the independent market watchdog for the mid-Atlantic grid, reports that 70 percent, or \$9.3 billion, of last year’s increased electricity cost was the result of data center demand. Some regions are getting hit harder than others. The nationwide average increase is around 6 percent but is as high as 14 percent in places like New Jersey and New York.

AI and other tech companies, such as Palantir, a Denver-based software company co-founded by billionaire entrepreneur Peter Thiel, are using artificial intelligence and data mining to identify, track, and deport suspected non-citizens. Palantir is slated to deliver a prototype of the ImmigrationOS platform by September 25, 2025, with the contract running through September 2027. ICE is paying Palantir \$30 million for the platform.

Palantir’s systems pull data from across government databases, including passport records, Social Security files, IRS tax data, and even license-plate reader data. The goal is to create a comprehensive, AI-driven profile of individuals that agencies can use to carry out mass deportations.

U.S. Immigration and Customs Enforcement alone has spent more than \$200 million on Palantir contracts. It relies on Palantir software to run its Investigative Case Management system and to integrate travel histories, visa records, biometric data and social media data.

The Department of Homeland Security has also renewed a contract with Palantir for investigative case management software. The contract is worth \$95.5 million over a five-year period. Palantir has also inked a contract with the so-called Department of War worth up to \$10 billion over the next decade.

In sum, rising energy prices are a massive wealth

transfer from the working class to big tech companies, and to make workers’ pay for the erection of a surveillance state.

While many of those who depend on government assistance will still be able to apply for assistance through state-run programs, the future of federal funding for these programs is in doubt, to say the least. This is a particularly brutal expression of the corporate interests which animate Trump’s ongoing campaign to establish a dictatorship in the United States.



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