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MEMO

WX-2014-3

TO: Agency Directors, Fiscal Officers and Weatherization Coordinators
FROM: Chris Shoopman, Weatherization Program Coordinator
RE: USDOE Income Guidelines
DATE: 07/03/2014

Greetings,

The enabling legislation for the United States Department of Energy Weatherization Assistance Program (USDOE WAP) program requires that households falling at or below 200% of Federal Poverty Level (FPL) be income eligible to receive services. At the same time USDOE allows grantees to use LIHEAP eligibility criteria for those households that qualify for LIHEAP.

Oregon uses an income threshold of 60% State Median Income (SMI) for the LIHEAP program, which does not go all the way up to 200% FPL. Because of this income eligibility gap agencies must use two sets of criteria as outlined below when using DOE WAP and funds provided through the Bonneville Power Administration, administered by OHCS for the purposes of Low-Income Weatherization. Only USDOE and OHCS administered BPA funds may be used on jobs exceeding 60% SMI.

Households are LIHEAP income eligible whose incomes are at or below the current criteria, which is 60% of state median income.

Income is defined by the Department of Health and Human Services as a household's countable cash receipts, before taxes. To be eligible for assistance, a household's gross income must be in accordance with the LIHEAP Income Guidelines provided by OHCS each program year. Eligibility for LIHEAP/DOE WAP is based on the following:

- All household income before any deductions (gross income).
- Number of household members.

Households must provide documentation of their gross income for the eligibility period determined by their local agency (in compliance with the timelines expressed in the LIHEAP manual). State-approved, agency-developed Declaration of Household Income Forms (DHI) must be used for the households or household members claiming zero income (local agencies may require that applicants and/or households claiming zero income to submit additional information).

Please refer to the current Oregon LIHEAP manual for definition of what is/is not income for those households at or below 60% SMI.

For those households whose incomes are above 60% SMI, or at or below 200% FPL the income criteria listed below is to be used.

Income as defined by the United States Department of Energy means Cash Receipts earned and/or received by the applicant before taxes during applicable tax year(s) **but not** the Income Exclusions listed below in this Section. Gross Income is to be used, not Net Income. Eligibility for DOE-WAP is based on the following:

- All household income before any deductions (gross income).
- Number of household members.

Households must provide documentation of their gross income for the eligibility period determined by their local agency not to exceed 12 months. After all other avenues of documenting income eligibility are exhausted a state-approved, agency-developed Declaration of Household Income Forms (DHI) must be used for the households or household members claiming zero income (local agencies may require that applicants and/or households claiming zero income to submit additional information). However, evidence of the various attempts at proving eligibility must be contained in the client file, **including** a notarized statement signed by the potential applicant indicating that he/she has no other proof of income.

What is Income

CASH RECEIPTS: Cash Receipts include the following:

1. Money, wages and salaries before any deductions;
2. Net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses);
3. Regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, worker's compensation, veteran's payments, training stipends, alimony, and military family allotments;
4. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments;
5. Dividends and/or interest;
6. Net rental income and net royalties;
7. Periodic receipts from estates or trusts; and
8. Net gambling or lottery winnings.

What Is Not Considered Income

*INCOME EXCLUSIONS: The following Cash Receipts **are not** considered sources of Income for the purposes of determining applicant eligibility:*

1. Capital gains;
2. Any assets drawn down as withdrawals from a bank;
3. Money received from the sale of a property, house, or car;
4. One-time payments from a welfare agency to a family or person who is in temporary financial difficulty;
5. Tax refunds;
6. Gifts, loans, or lump-sum inheritances;
7. College scholarships;
8. One-time insurance payments, or compensation for injury;
9. Non-cash benefits, such as the employer-paid or union-paid portion of health insurance;
10. Employee fringe benefits, food or housing received in lieu of wages;
11. The value of food and fuel produced and consumed on farms;
12. The imputed value of rent from owner-occupied non-farm or farm housing;
13. Depreciation for farm or business assets;
14. Federal non-cash benefit programs such as Medicare, Medicaid, Food Stamps, school lunches, and housing assistance;
15. Combat zone pay to the military
16. Child support
17. Reverse mortgages
18. Payments for care of Foster Children

If you have any questions, please contact me at (503) 986-0972.

Best Regards,

Chris Shoopman
Weatherization Coordinator