

POLICIES AND PROCEDURES

DEPARTMENT OF HUMAN SERVICES

LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

1. GENERAL PROVISIONS

The mission of the Low-Income Home Energy Assistance Program is to assist low income households, particularly those with the lowest incomes that pay a high proportion of their income for home energy, primarily in meeting their home energy needs.

1.1 Purpose

The purpose of these procedures shall be to implement the requirements of the Low-Income Home Energy Assistance Act of 1981 (Title XXVI of Pub. L. No. 97-35, the Omnibus Budget Reconciliation Act of 1981), Title VI of Pub. L. No. 98-558, the Human Services Reauthorization Act of 1984, Title V of Pub. L. No. 99-425, the Human Services Reauthorization Act of 1986, Title VII of Pub. L. No. 101-501, the Augustus F. Hawkins Human Services Reauthorization Act of 1990, Title III of Pub. L. 103-252, the Human Services Amendments of 1994, and 42 U.S.C. §§8621 et seq. relating to the Low Income Home Energy Assistance Program (LIHEAP) as now or hereafter adopted, and to provide for the operation of the Low Income Home Energy Assistance Program in the State of Hawaii.

1.2 Definitions

“Active Account” means an open utility account for a residential service with a name, address, service start date and no service termination date.

“Applicant” means the individual applying and providing all information on the application.

“Application period” means the timeframe in which applications for the federal fiscal year can be submitted as determined by the State.

“Categorical recipient” means those individuals who are in receipt of assistance under the Supplemental Security Income (SSI), Temporary Assistance to Needy Families (TANF), and Supplemental Nutrition Assistance Program (SNAP) programs and shall include only:

1. SSI recipients certified by the Social Security Administration to be in SSI independent living arrangement and also certified by the Social Security Administration to be eligible on the first day of the month of application.
2. TANF and SNAP (FS) recipients in the Department’s eligible computer files on the first day of the month of application.

“Current Utility Expense” means a *residential* electric or gas bill that reflects the name of the utility company, an account number, name of account, current service address, dates of service, current and past due charges, total amount due; and kilowatt/therms/tank/ cylinder charges.

“Date of hearing request” means the date of the LIHEAP receipt of a signed written request for a hearing by the claimant which meets all the criteria of a request for a hearing.

“Department” means the Department of Human Services.

“Disabled individual” means a member of the household who receives Supplemental Security Income (SSI) benefits under Title XVI of the Social Security Act or disability or blindness payments under Titles I, II, X, XIV and XVI of the Social Security Act; Veterans receiving VA benefits for a 100% service-connected disability according to VA; or receives disability retirement benefits from a governmental agency because of a disability determined permanent under section 221(i) of the Social Security Act; Individuals receiving Railroad Retirement Disability.

“Earned income” means cash received or available to be received which require some activity on the part of an individual to produce.

“Energy” means electricity or gas used for heating and cooling in the residential dwelling of the household.

“Energy burden” means the amount on the current utility bill verified paid by the household to the utility company, divided by the monthly income of the household.

“Energy Credit (EC)” means a one-time only assistance deposited to the residence utility company account of an eligible low-income household to help offset the energy costs for heating or cooling of the household.

“Energy Crisis Intervention (ECI)” means a one-time only assistance aid to the utility company to restore or prevent termination of electric or gas power for heating or cooling to the residence of an eligible household.

“Household” means the entire energy household, i.e., any/all individuals or group of individuals who are living together at the residential service address for which the utility company bill or termination notice is submitted. All individuals living in the residence on the first day of the month of application and who will benefit from the LIHEAP credit when it is applied to the utility account shall be included in the application filed by the household.

“Household members” means everyone in the household that is not the applicant.

“Income” means gross income before any deductions. Includes Earned and Unearned income.

“LIHEAP” means Low Income Home Energy Assistance Program.

“Program” means the Low Income Home Energy Assistance Program.

“Provider agency” means an Agency under agreement with the Department to implement the program under the supervision of the Department. Provider Agencies generally include, but are not limited to, the Honolulu Community Action Program, Hawaii County Economic Opportunity Council, Kauai Economic Opportunity, Inc., and Maui Economic Opportunity, Inc.

“Qualified alien” means an alien who, at the time the alien applies for, receives, or attempts to receive LIHEAP is:

- an alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act [8 U.S.C. 1101 et seq.],
- an alien who is granted asylum under section 208 of such Act [8 U.S.C. 1158],
- a refugee who is admitted to the United States under section 207 of such Act [8 U.S.C. 1157],
- an alien who is paroled into the United States under section 212(d)(5) of such Act [8 U.S.C. 1182(d)(5)] for a period of at least 1 year,
- an alien whose deportation is being withheld under section 243(h) of such Act [8 U.S.C. 1253] (as in effect immediately before the effective date of section 307 of division C of Public Law 104–208) or section 241(b)(3) of such Act [8 U.S.C. 1231(b)(3)] (as amended by section 305(a) of division C of Public Law 104–208),
- an alien who is granted conditional entry pursuant to section 203(a)(7) of such Act [8 U.S.C. 1153(a)(7)] as in effect prior to April 1, 1980; [1] or
- an alien who is a Cuban and Haitian entrant (as defined in section 501(e) of the Refugee Education Assistance Act of 1980).

“Resident” means a resident of the State. Living in the State with the purposed of making the individual’s home in the State and not here for a temporary purpose.

“State Poverty Level” means the poverty income guidelines for Hawaii as published in the Federal Register and in effect on the first day of the current federal fiscal year.

“Unearned income” means cash received or available to be received which are not classified as earned income.

“U. S. Citizen” is:

- A person (other than the child of a foreign diplomat) born in one of the United States or in the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, or the Northern Mariana Islands who has not renounced or otherwise lost his or her citizenship;
- A person born outside of the United States to at least one U.S. citizen parent (sometimes referred to as a “derivative citizen”); or
- A naturalized U.S. citizen. As a general matter, a United States non-citizen national is a person born in an outlying possession of the United States (American Samoa or Swain’s Island) on or after the date the U.S. acquired the possession, or a person whose parents are U.S. non-citizen nationals (subject to certain residency requirements).

“Utility” means electricity or gas provided by a company subject to regulation by the Public Utilities Commission of the State of Hawaii.

“Utility company” means an electric company or a gas company subject to regulation by the Public Utilities Commission of the State of Hawaii and which has entered into written agreement with the Department to implement the program in accordance with these procedures.

“Vulnerability” means the additional energy burden of households with young children, meaning children ages five and under, or households with disabled adults or adults age 60 and over.

1.3 Roles in Implementing Program

The Department shall contract services from provider Agencies to implement the program in accordance with a written Agreement, the State Plan for LIHEAP, and these procedures.

The Department shall establish vendor agreements with individual utility companies for the geographic area they serve, provided these companies agree to implement the program in accordance with the provisions stated in the vendor agreements, and comply with the State Plan for LIHEAP, and these procedures.

1.4 Proposed Use of Funds

The Department shall reserve an amount, no less than fifty-four per cent of the Low-Income Home Energy Assistance funds allocated to the State each federal fiscal year, for the purpose of providing energy credit assistance to eligible households. Gas paid as heating and Electric paid as cooling.

The Department shall reserve an amount, not to exceed twenty-five per cent of the Low-Income Home Energy Assistance funds allocated to the State each federal fiscal year, for the purpose of providing Energy Crisis Intervention assistance on behalf of eligible households. Energy Crisis Intervention funds not issued to eligible households shall be added to the funds to be issued as energy credits.

The Department shall reserve ten per cent of Low-Income Home Energy Assistance Program (LIHEAP) funds allocated to the State for Weatherization. Weatherization shall be administered by the Office of Community Services (OCS) Weatherization Program (WAP).

The Department shall carry over to the following federal fiscal year one percent of the Low-Income Home Energy Assistance funds allocated to the State each federal fiscal year for the purpose of providing utility payments on behalf of the eligible households whose payments are not issued in the current fiscal year.

The Department shall reserve an amount, not to exceed ten per cent of the funds each federal fiscal year, for administration of the program. Any costs exceeding the ten per cent shall be paid from non-federal sources under this title Section 2605(b)(9)(B).

In no event shall the issuance of Energy Credits and Energy Crisis Intervention assistance payments combined with funds held over the following year and administrative costs result in expenditure of funds greater than the amount allocated to the State for the program in any federal fiscal year. In no event shall the Department accept applications for the program assistance to households in any federal fiscal year in which the State does not receive federal allocation for the program.

2. **PROGRAM REQUIREMENTS:**

2.1 Residence/Service Address

- All applicants shall be a resident of the State. A resident is defined as living in the State with the purpose of making the individual's home in the State and not here for a temporary purpose.

- All applicants must have a place of residence with an active utility account. Service for the account must be identified on the utility bill as a residential rate by the respective utility company.
- The service address of utility account shall be the same as the residence address.
- The applicant or an adult household member must be responsible for paying the utility bill to the utility company.

2.2 Citizenship Requirements

All eligible household members must be:

- A Citizen of the United States; or
- A Qualified Alien
- Qualified Alien status shall be verified.
 - Alien Lawfully Admitted for Permanent Residence
 - USCIS Form I-551 (Alien Registration Receipt Card, commonly known as a “green card”); or
 - Unexpired Temporary I-551 stamp in foreign passport or on USCIS Form I-94.
 - Asylee
 - USCIS Form I-94 annotated with stamp showing grant of asylum
 - USCIS Form I-688B (Employment Authorization Card) annotated “274a.12(a)(5)”;
 - USCIS Form I-766 (Employment Authorization Document) annotated “A5”;
 - Grant letter from the Asylum Office of USCIS; or
 - Order of an immigration judge granting asylum.
 - Refugee
 - USCIS Form I-94 annotated with stamp showing admission;
 - USCIS Form I-688B (Employment Authorization Card) annotated “274a.12(a)(3)”;
 - USCIS Form I-766 (Employment Authorization Document) annotated “A3”;
 - USCIS Form I-571 (Refugee Travel Document).
 - Alien Paroled into the U.S. for at least One Year
 - USCIS Form I-94 with stamp showing admission for at least one year
 - Alien Whose Deportation or Removal Was Withheld
 - USCIS Form I-688B (Employment Authorization Card) annotated “274a.12(a)(10)”;
 - USCIS Form I-766 (Employment Authorization Document) annotated “A10”;
 - Order from an immigration judge showing deportation withheld.
 - Alien Granted Conditional Entry
 - USCIS Form I-94 with stamp showing admission;
 - USCIS Form I-688B (Employment Authorization Card) annotated “274a.12(a)(3)”;
 - USCIS Form I-766 (Employment Authorization Document) annotated “A3.”
 - Cuban/Haitian Entrant
 - USCIS Form I-551 (Alien Registration Receipt Card, commonly known as a “green card”) with the code CU6, CU7, or CH6;
 - Unexpired temporary I-551 stamp in foreign passport or on USCIS Form I-94 with the code CU6 or CU7; or
 - USCIS Form I-94 with stamp showing parole as “Cuba/Haitian Entrant”.
- Applicants, self-declaration of U. S. citizenship is acceptable, unless such declaration is questionable, then verification shall be requested.

- Applicants or household members who do not meet the citizenship requirements will disqualify the individual from the program, but the income of the individual will continue to count against the household size less the disqualified individual.

2.3 Signatures and Identity:

All adult applicants and household members in the LIHEAP household must:

- a. Sign the application;
- b. Provide proof of identity, by providing a picture ID;
- c. Failure to sign the application or submit proof of identity disqualifies the entire household.

2.4 Social Security Numbers:

- All applicants and household members ages one year and older must provide verification of a Social Security Number.
- Failure to provide a Social Security Number will disqualify the individual from the program, but all income will continue to count against the household less the disqualified individual.

2.5 Consent to Release

- All applicants must agree to release information of their utility account, past, current, and future to the Department of Human Services and provider agencies;
- All applicants must agree to release information of their Department of Human Services cases to provider agencies and utility companies;
- All applicants who are not the subscriber must provide a signed subscriber authorization form and identification of the subscriber. The applicant is responsible to pay the utility bill but is not the subscriber of the utility account and the subscriber is not part of the LIHEAP application. A subscriber shall not be a Realty Company, Realtor, Organization and Management Company, unless a signed agreement has been authorized by the State.
- Failure to comply will result in household ineligibility.

2.6 Applicant Responsibility

- The household shall cooperate with the provider agency and utility company to enable the provider agency to determine eligibility of the household for the program, including information supported by documents to verify income and other eligibility factors. Failure to comply will result in household ineligibility.
- Household eligibility shall be based on the information provided as of the date of application and interview.

2.7 Agency Responsibility

- Assist the Applicant with the completion of the application form.
- Assist with the completion of the application process.

- When possible utilize First-Contact Resolution, application is processed in a single contact. Assist with the gathering of required documents.
- Act upon all reported changes of address and utility account until disposition is made.
- Once disposition has been made on the LIHEAP application no further actions shall be taken.
- Once disposition made and files sent to the State, refer all updates to the State.

2.8 Categorical Eligibility

A categorically eligible household shall consist of the following:

- At least one household member who is in receipt of SSI, TANF, or SNAP.
- If not the applicant, documentation showing that the categorically eligible household member resides in the home is required. Verification shall include but not be limited to a rental agreement showing person in the home or current mail or billings received at the residence. Minor children are the exception to this as a child is dependent on an adult.
- All household members must be listed on the application with their income.
- An eligibility determination for LIHEAP is required.
- Income is assigned based on the number of eligible household members from the income chart.

2.9 Income Limit:

The household's countable annual gross income must be less than 150% of the Federal Poverty Level.

2.10 Energy Burden:

- Monthly electric cost divided by monthly income equals household Energy Burden.
- High burdened household shall be defined as 30 percent.

2.11 Performance Measures:

- Data Collection:
 1. Collect usage data for all Households and programs (both ECI and EC);
 2. Household's must designate their main fuel source on their application;
 3. Collect and Enter Data for households with 12 consecutive months of bill data for the main fuel type (Electric or Gas). Collecting annual (12 months) costs, monthly cost, annual usage, monthly usage;
 4. If main fuel type is not electricity, collect 12 consecutive months of bill data for main fuel type (Gas) and the secondary fuel type, (Electricity). Collect annual (12 months) costs, monthly cost, annual usage, monthly usage for both.
 5. Air Conditioning – Identify Centralized or Window/Wall mounted units.

2.12 Other Requirements:

- Separated adults who share custody of a child, only one household can apply for the child. When both parents/caretakers apply for the same child, the parent/caretaker who has the child the majority of the time can apply. If custody is shared equally, the parent/caretaker who applied first shall include the child in their LIHEAP application.

- Applicants can receive one of the two programs per federal fiscal year, either Energy Crisis intervention or Energy Credit, not both.
- There is no limit to the number of times an applicant may reapply after being denied, however an eligible household can only receive once payment per federal fiscal year.
- An applicant can apply for one utility type, gas or electric. Once approved, benefits cannot be transferred from one utility type to the other.
- There is no splitting or sharing of benefits among different accounts.
- Applications are only accepted during the enrollment period. Once the enrollment period ends the program is closed and no further applications shall be accepted.
- Failure to meet program requirements will result in the whole household's ineligibility, unless otherwise specified.
- Ineligible household members include but are not limited to:
 1. Temporary caretakers whose primary residence is not with the applicant are exempt from applying.
 2. Applicants residing in an institution. Institutions include but are not limited to:
 - a. Hospitals;
 - b. Licensed Domiciliary Care Facilities (family care homes, homes for the intermediate Care Facilities, Group Living Arrangements;
 - c. Skilled Nursing Facilities or Homes;
 - d. Alcohol and Drug Rehabilitation Centers or Treatment Program;
 - e. Correctional Facilities such as Prisons, Jails, etc.;
 - f. Assisted Living Facilities/Arrangements, including Adult Foster Homes;
- Ineligible Households include but are not limited to:
 1. Dormitories/Boarding Homes;
 2. Temporary protective facilities, such as domestic violence shelters, etc.;
 3. Homeless Shelters;
 4. Households residing, in a church-owned residence;
 5. Households where all utilities are included in the rent;
 6. Commercial Properties; renting rooms in a home, including Air B&B, Bed and Breakfasts, or just renting rooms in your home. Will also include properties managed/owned by realty companies with the utility bill in their name, account always remain open even when tenants leave.

2.13 Confidentiality

The State of Hawaii restricts the disclosure of any information relating to applicants and recipients.

- All information about applicants and their household must be kept confidential
- Do not identify or discuss the situation of any applicant or their household members with friends or family.
- All information must be secured at the end of each day. (LIHEAP and HAWI)
- Must be followed even after you are no longer employed by our agency.

2.14 Administrative (Fair) Hearings:

Section 2605(b) (13) – Assurance #13

A household may request a hearing when:

1. Application for ECI or EC is denied;
2. Application is not acted upon with reasonable promptness.

The Department shall offer administrative hearings to all applicants of the program. The hearings are intended to give the household's the opportunity to explain their situation.

Every applicant shall have the right to submit a written request naming an authorized representative for hearing purposes. The written authorization shall be received by LIHEAP before LIHEAP acknowledges the any action taken by the authorized representative on the applicant's behalf.

Every applicant shall be informed in writing at the time of application and at the time of action taken of their ability to request a written request for an administrative hearing.

An applicant or recipient may request an administrative hearing with the provider agency within ninety (90) days of the date of their notice of decision for ECI or EC. The request must be in writing, utilizing form DHS 1461, Request for Administrative Hearing. The provider agency shall provide the applicant with the Administrative Hearing Request form.

Once the DHS 1461 is received, the provider agency shall forward the request for Administrative hearing to the State LIHEAP Coordinator within three (3) calendar days of receipt of the written request.

The State LIHEAP Coordinator completes the Administrative hearing Branch Report with supporting documents and represents the State at the hearing. A CAP representative must be present at the hearing.

An Administrative/Fair Hearing shall be held in a place reasonably convenient to the household. The hearing officer shall be designated by the Administrative Appeals Office and shall be an individual not involved in the determination leading to the decision being appealed.

2.15 Fraud:

LIHEAP households found to have misrepresented their household circumstances with the intent to receive benefits which they would not otherwise be eligible for or which resulted in an erroneous payment will be disqualified from participation in LIHEAP for one year. The disqualification period is one year for each infraction and/or each year of erroneous issuance. The provider agency will provide the applicant with a written notification explaining the period of disqualification.

Circumstances include, but are not limited to household size, living arrangements, and income. Individuals reporting fraud should be referred to the Fraud Hotline on their island:

| | |
|--------|--------------|
| Oahu | 808-587-8444 |
| Hawaii | 808-933-8899 |
| Kauai | 808-241-7106 |
| Maui | 808-243-5840 |

Individuals wanting to report fraud need to complete a Fraud Referral Form, DHS 1474 and submit it to their supervisor and routed to the State LIHEAP Coordinator.

Individuals found guilty of fraud may be disqualified and/or prosecuted for fraud.

3. **ENERGY CRISIS INTERVENTION (ECI)**

3.1 Purpose and Guidelines

The purpose of Energy Crisis Intervention (ECI) shall be to restore or prevent termination of electric or gas power in the current residence of the household at the account number on the termination notice submitted by the household in order to apply for LIHEAP benefits.

Applications for ECI shall be accepted during the application period and shall be terminated prior to the end of the application period if the funds reserved for energy crisis intervention are expended.

ECI amounts approved for eligible households shall be paid directly to the utility company.

3.2 Eligibility Requirements

The household shall meet all of the Program Requirements; and

The household shall meet all of the following conditions for ECI:

1. The household shall submit an application form;
2. The household shall be interviewed;
3. The household shall submit a current termination notice from the utility company for their residence or if service terminated submit the final termination bill;
4. The household shall submit verification that they currently reside at the address listed on the termination notice;
5. The household shall submit a current electric bill with usage data;
6. Utility power would be restored in the current residence of the eligible household if payment under this section were to be issued;
7. The provider agency shall make arrangements with the utility company to restore service to the household not later than forty-eight hours after the household applies for ECI, and no later than eighteen hours when the household is in a life-threatening situation. The provider agency shall be responsible to determine whether the situation is life-threatening.
8. Payment shall be based upon the amount owed on the final disconnect notice to prevent termination or to restore power. The payment is not to exceed the maximum standard as by the State Plan. Payments shall may include the past due amount, any current outstanding charges, deposits, surcharges, service charges or rental fees, or not to exceed the maximum LIHEAP payment of \$650.00.

*Payment amount is subject to change according to increases or reduction of federal appropriations;

9. The household shall be required to meet with a utility company representative to review the account status and work out a payment schedule when the amount required to restore or prevent termination of utility power exceeds \$650. Once completed the utility company representative will complete the LIHEAP form authorizing ECI payment;

10. Applicant and adult household members have not been sanctioned for one federal fiscal year for misrepresenting their household's circumstances. Household's circumstances include by are not limited to household composition and/or income.
11. Households shall not qualify for benefits under this section when they are applicants for or have been determined eligible for EC. The provider agency may assist the household in determining this type of assistance being requested.

4. **ENERGY CREDITS (EC)**

4.1 Purpose and Guidelines

The purpose of Energy Credits (EC) shall be to help eligible low-income households offset the rising costs of energy for their residence.

Applications for EC shall be accepted during the enrollment period and shall not be accepted prior to the end of the enrollment period when the Department determines that additional applications would result in expenditure of funds greater than the amount allocated to the State for the program in any federal fiscal year.

Application period will be announced in one or more of the following:

Notification via billing, utility newsletters and/or their website. Agencies provide posters announcing enrollment period in the community. The State posts announcements in State offices and on the DHS website. The State, Agency or Utility Company is not responsible for any households who claim they do not receive their bills.

Credit amounts approved for eligible households shall be paid directly to the utility company.

The household shall have energy service with the specified island utility company for which the household requested energy assistance at the time of application.

4.2 Eligibility Requirements

A household shall meet all of the Program Requirements; and

A household shall meet all of the following conditions:

1. The household shall submit an application form;
2. The household shall be interviewed;
3. The household shall submit a current electric or gas bill;
4. Household's declaring gas as their primary utility must also submit a current electric bill. Electricity is the secondary utility, and the bill shall reflect the annual usage and amounts;
5. The household shall submit verification that they currently reside at the address listed on the utility bill;
6. A photovoltaic household enrolled in a program such as but not limited to Net metering, Nem Pilot Project, Rollover, etc., shall have a utility bill that reflects charges for usage in excess of generation. Currently the household must be consuming more kilowatts than they generate resulting in a monthly charge for kilowatt usage added to monthly fees. Usage shall be determined using a one year billing cycle;

7. The LIHEAP applicant/household must be paying the utility bill. If the utility bill is paid by a third party not in the household, the household shall not be eligible;
8. On the day the utility company posts the energy credit, the household shall have an active account number for residential energy service with the specified island utility company for which the household requested energy credit at application. If for any reason the utility company cannot locate or identify an active account number for the household in its computer files, EC shall not be issued, and the household shall be ineligible for EC;
9. Applicant and adult household members have **not** been sanctioned for a federal fiscal year for misrepresenting their household's circumstances;
10. Households shall not qualify for benefits under this section when the current utility bill has a credit balance that exceeds the annual usage.

5. **CALCULATION OF ANNUAL INCOME:**

5.1 Annual Income

Calculation of annual income for all households is based on the composition of the households:

- is.
 1. Regular Households:
 - The applicant and household members who are not in receipt of SSI, TANF and/or SNAP will have their income calculated using actual income received from January to the date of application and projected income for the remaining calendar year.
 - An exception to projecting income for a regular household is self-employed households.
 1. Income from self-employment shall be determined by deducting from the amount received from the sale of goods and services, those expenses directly related to producing the goods or services. Items such as depreciation, personal expenses, meals, and personal transportation shall not be deducted as business expenses.
 2. A business expense shall be an allowable deduction from monthly gross self-employment income only if verified.
 3. A self-employed person shall:
 - a. Sell a service or product for a profit;
 - b. Be independently responsible for obtaining or providing a service or product;
 - c. Have independent costs and expenses needed to provide a service or product;
 - d. Determine independently the manner, method, and process of business operations; or
 - e. Have success or failure of the business operation depend upon the efforts of the business.
 - f. Persons who do not meet the self-employment requirements specified, shall have the monthly gross income from the work activity counted as the monthly earned income.

5.2 Earned Income

Earned income is income received by an individual for which a service is performed. Earned income includes but is not limited to the following:

1. Wages;
2. Military base pay, basic allowance for housing (BAH), basic allowance for subsistence (BAS);
3. Salaries;
4. Commissions;
5. Money from self-employment;
6. Tips and Gratuities;
7. Sick Pay; Temporary Disability Insurance;
8. Royalties.

5.3 Unearned Income

Unearned Income is money received or available to be received by the household which is not classified as earned income. Unearned income includes but is not limited to the following:

1. Pensions and annuities such as Railroad Retirement, Social Security, Supplemental Security Insurance (SSI), Veterans Assistance;
2. Disability benefits such as Workman's Compensation, AFLEC;
3. Unemployment Compensation;
4. Strike or union benefits;
5. Child support and alimony;
6. Trust payments and dividends;
7. Money from sales contracts and mortgages;
8. Personal injury settlements;
9. Temporary Assistance to Needy Families (TANF) and General Assistance (GA) Aid to the Aged, Blind & Disabled (AABD);
10. Foster Care Payments;
11. Adoption Assistance;
12. Rental Property Income, unless client also manages the property, this income is then earned income;
13. Contributions from friends, family and community agencies.
14. Lump sum payments for Social Security, SSI, Insurance settlements
15. Welfare/Cash Payments

5.4 Exempt Income

Exempt Income includes:

1. Earned Income Tax Credit (EITC);
2. All financial aid and scholarships both federal and private, such as PELL grants.
3. All loans (includes student loans and personal loans).
4. College work-study must be coded as work study on pay stub. All other earned income is countable.
5. VA GI Bill for education expenses are exempt, monies paid as living allowances are countable income.

5.5 Projected Income:

Projected income is a best estimate of future month's income based on the applicant's statement of their future circumstances. Calculation of projected income requires determination of a full month's income. Determining monthly income is dependent on the household's future circumstances.

1. Households shall have their future months' income calculated by using their prior months' average income multiplied by the remaining months in the year.
2. Households with new sources of income or changes for the future months such as decreased hours, shall have their future month's income calculated using hourly income multiplied by hours per week, multiplied by 4.3333 for weekly income, 2.6667 for biweekly income and 2 for income received twice a month.
3. To derive the remaining year's projected income, multiply the monthly income by the remaining months in the year.
4. See the attached Chart.

Annual projected self-employment income:

1. If income from January to date of application is available, follow steps 1-3 as outline above;
2. If previous months income not available and previous months' income is expected to remain constant, use the previous month's income to project annual income;
3. If income varies monthly, determine an average month's income and project annual income.
4. Farmer's income shall be annualized.

PROJECTING ANNUAL INCOME

| | |
|-------------------------|--|
| Actual Income | Add all income (earned and unearned) from January thru Date of Application (DOA). Could be the year to date if applicant is continuously employed from January. |
| Monthly Income | <p>Determine one month income:</p> <p>Stable income – Divide actual income earned by the number of paid months; i.e. \$1000 earned per May 31st pay stub; divide \$1000 by 5 months = \$200 Monthly Income.</p> <p style="text-align: center;">OR</p> <p>New source of Hourly income (including any tips): Hrly Pay x Hrs/wk = Wkly pay, add in any tips. Wkly Pay x 4.3333 = Monthly Income.</p> <p style="text-align: center;">OR</p> <p>New monthly income with the remaining number of months in the year. (see chart below)</p> |
| Projected Future Income | Multiply one month's income by remaining months (see chart below) |
| Annual Income | Add Actual + Projected Future Months Income = Annual Income |

DETERMINE REMAINING MONTHS

| Check Date (date paid) | Months Worked | Future Months |
|---------------------------|---------------|---------------|
| 5/16 – 5/31 | 5 | 7 |
| 6/1 – 6/15 | 5.5 | 6.5 |
| 6/16 – 6/30 | 6 | 6 |
| 7/1 – 7/15 | 6.5 | 5.5 |

6. CALCULATION OF EC BENEFITS

6.1 The level of benefits for eligible households in public/subsidized housing will be based on their household size as follows:

| | |
|---------------------------|-------|
| Household size 1-2: | \$350 |
| Household size 3-5: | \$400 |
| Household size 6 or more: | \$450 |

* Payment amounts are subject to change according to increases or reduction of federal appropriations.

6.2 The level of benefits for eligible households with photovoltaic systems generating less power than they are consuming will be based on their household size as follows:

| | |
|---------------------------|-------|
| Household size 1-2: | \$350 |
| Household size 3-5: | \$400 |
| Household size 6 or more: | \$450 |

* Payment amounts are subject to change according to increases or reduction of federal appropriations.

6.3 The level of benefits for eligible households who pay “zero” rent/mortgage, such as a resident manager who gets free rent in exchange for work, home is paid in full, or a third party pays the shelter cost, but the applicant is responsible for the utility bill; will be based on their household size as follows:

| | |
|---------------------------|-------|
| Household size 1-2: | \$350 |
| Household size 3-5: | \$400 |
| Household size 6 or more: | \$450 |

* Payment amounts are subject to change according to increases or reduction of federal appropriations.

6.4 The level of benefits for eligible households residing in non-public/subsidized housing, no photovoltaic systems and not “zero” rent households shall be based on the total number of points assigned to the household in five categories. Points shall be assigned in the five categories as follows:

1) Income level – per cent the applicant household’s gross income is of maximum income limits established by the State for that size household.

| <u>Per cent of maximum income limits</u> | <u>Points</u> |
|--|---------------|
| 101-maximum | 1 |
| 51-100% | 2 |
| 0-50% | 3 |

2) Household size – the number of persons in the applicant household.

| <u>Persons</u> | <u>Points</u> |
|----------------|---------------|
| 1 to 2 | 1 |
| 3 to 5 | 2 |
| 6 or more | 3 |

3) Region difference – the island of residence of the applicant household.

| <u>Region</u> | <u>Points</u> |
|-------------------------------------|---------------|
| Oahu | 1 |
| Hawaii, Maui, Lanai, Molokai, Kauai | 2 |

4) Vulnerability – applicant household consisting of one or more of the following types of individuals: a child age five and under, disabled adult, or an adult age 60 and over. Points
1

5) Energy burden 30% or greater. Points
1

6.4 Payment Determination

Funds reserved for EC shall be divided by the total number of points for all eligible households to determine a statewide dollar value per point. Each household’s EC payment shall be determined by multiplying the household’s point total by the statewide dollar value per point.

6.5 Payment of Energy Credits

The amount of EC approved for an eligible household shall be paid directly to the utility company for which the household requested energy credit at application. Payments to the utility accounts of eligible household shall be issued by the Department to the utility company no later than the last day of the calendar year in which the application is filed.

An account number at the utility company shall be credited no more than once by the utility company.

After the EC is posted to their utility account, households shall not be entitled to receive cash payments from the utility company when the utility company determines the household does not intend to use Low-Income Home Energy Assistance program funds for utility needs.

Households shall not qualify for benefits under this section when they are applicants for or have been determined eligible for ECI. The provider agency may assist the household in determining the type of assistance being requested.

7. DISREGARD OF LIHEAP BENEFITS

The Department shall not count as income or asset any LIHEAP payment for any purpose under any federal or state law administered by the Department, including any law relating to public assistance or welfare programs, unless enacted in express limitation of LIHEAP statutory prohibition.

The Department shall not consider LIHEAP payments in the determination of eligibility or benefits for SNAP, including the calculation of excess shelter deduction.

8. **NATURAL DISASTER ASSISTANCE**

An additional Energy Crisis payment may be provided to eligible households who are in need because of a natural disaster.

1. Payment must be tied in some way to the household's energy assistance need or emergency;
2. Applicant's household income must be below 150% of the FPL or
3. Meet the categorical eligibility requirements.
4. Activities that may be allowable uses of LIHEAP funds to deal with crisis situations:
 - a. Costs to temporarily shelter or house individuals in hotels, apartments or to other living situation in which homes have been destroyed or damaged, i.e. placing people in settings to preserve health and safety and to move them away from the crisis situation.
 - b. Costs for transportation (such as cars, shuttles, buses) to move individuals away from the crisis area to shelters, when health and safety is endangered by loss of access to heating or cooling.
 - c. Utility reconnection costs.
 - d. Repair or replacement costs for furnaces and air conditioners.
 - e. Insulation repair.
 - f. Coats and blankets, as tangible benefits to keep individuals warm.
 - g. Crisis payments for utilities and utility deposits.
 - h. Purchase of fans, air conditioners and generators.
5. Unallowable uses of LIHEAP funds that are not home energy related:
 - a. Payments for water/sewage
 - b. Mortgage or rent assistance, unless it a necessary cost to shelter individuals from the crisis situation for a TEMPORARY period of time.
 - c. Utility assistance or households housing displaced victims UNLESS the household is already low income and qualified for LIHEAP assistance.
 - d. Ramps and wheelchairs.
 - e. School uniforms and school supplies.
 - f. Clothing (except coats)
 - g. Mattresses, cots, air beds and pillows.