



Department of Energy
Washington, DC 20585

WEATHERIZATION PROGRAM NOTICE 10-18
EFFECTIVE DATE: September 20, 2010

SUBJECT: 2010 POVERTY INCOME GUIDELINES AND DEFINITION OF INCOME

PURPOSE: To provide States with the 2010 Poverty Income Guidelines and Definition of Income for use in the Low-Income Weatherization Assistance Program (Weatherization).

SCOPE: The provisions of this guidance apply to all Grantees applying for financial assistance under the Department of Energy (DOE) Weatherization Assistance Program.

LEGAL AUTHORITY: Title IV, Energy Conservation and Production Act, as amended, authorizes the Department of Energy to administer the Low-Income Weatherization Assistance Program. All grant awards made under this Program shall comply with applicable law including regulations contained in 10 CFR Part 440 (issued February 1, 2002), the Energy Policy Act of 2005, the Energy Independence and Security Act of 2007, the American Recovery and Reinvestment Act of 2009 and other procedures applicable to this regulation.

BACKGROUND: Usually the Poverty Income Guidelines are published in late January to early February of the current year. However, this year legislation enacted in late 2009 and early 2010 prohibited publication of 2010 poverty guidelines before May 31, 2010, and required that the 2009 poverty guidelines remain in effect until publication of updated guidelines. The procedure for updating the 2010 guidelines was modified to take into account the Consumer Price Index (CPI-UP for the period for which their publication was delayed. As a result, the poverty guideline figures for the remainder of 2010 are the same as the 2009 poverty guideline figures.

PROCEDURES: The American Recovery and Reinvestment Act of 2009, Public Law 111-005, signed by the President on February 17, 2009, raised the DOE Weatherization eligibility criterion by striking "150 percent" in both places it appears in Section 412(7) of the Energy Conservation and Production Act (42 U.S.C. 6862(7)) and inserting "200 percent." The annual revision of the poverty income guidelines was published in the Federal Register/Volume 75, Number 148/Wednesday, August 3, 2010, pages 45628-45629. Attached is a table displaying the guidelines showing income eligibility limits at 200 percent of poverty. Guideline tables for Alaska and Hawaii are also included. These guidelines are effective as of August 3, 2010, and apply to both farm and non-farm families. States should distribute these tables immediately to their subgrantees for their use. Additionally, this notice provides grantees with a definition of income for use in the Weatherization Program. This definition is updated from the previous

year's guidance. Clarifications on income and eligibility issues are discussed in the Program Year 2010 Weatherization Grant Guidance, in section 5.9, Determining Eligibility Levels and Defining Income, of WPN-10-1.



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Attachment

DEFINITION OF INCOME

A. INCOME: Income 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 **Section C**.

B. 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.

C. 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. Federal non-cash benefit programs such as Medicare, Medicaid, Food Stamps, school lunches, and housing assistance;
14. combat zone pay to the military; and
15. Child Support, as defined below in **Section E**.

D. PROOF OF ELIGIBILITY: Grantees and subgrantees are reminded that, to the maximum extent practicable, proof of income eligibility and the associated documentation should be included in the client file.

1. **Eligibility Determined by Outside Agency/Program:** If income eligibility is determined by an outside agency or program, i.e. Low-Income Home Energy Assistance Program (LIHEAP) or the U.S. Department of Housing and Urban Development (HUD), then copies of the eligibility documentation can be a statement of LIHEAP eligibility or a copy of the HUD building list, included in the client file.
2. **Self-Certification:** After all avenues of documenting income eligibility are exhausted, self-certification is allowable, but 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 has no other proof of income.

E. CHILD SUPPORT: Child Support payments, whether received by the Payee or paid by the Payor, are not considered sources of Income for the purposes of determining applicant eligibility.

1. **Payee:** Where an applicant receives child support from any state program or individual during an applicable tax year, such assistance **is not** considered Income for the purposes of determining eligibility.
2. **Payor:** Where an applicant pays child support through a state program and/or to an individual, such assistance **is not** considered Income for the purposes of determining eligibility (i.e., where an applicant pays Child Support, he or she may not deduct said assistance for the purposes of determining eligibility).

F. ANNUALIZATION OF INCOME: Where an applicant receives Income for a part of the applicable tax year, their partial Income may be annualized to determine eligibility. (Example: Applicant A received income during January, February and March. The method of annualizing income to determine eligibility could be multiplied by four the amount of income received during those three months). The method of calculating annualization of Income is to be determined by the Grantee.

G. RE-CERTIFICATION: An applicant who is deemed ineligible based on Income may be re-certified **if** ineligibility is due to the length of time that expired while the applicant was waiting to receive weatherization services. As a reminder, re-certification of eligibility should occur at least every 12 months. The method of determining Re-Certification is to be determined by the Grantee.