

Iowa LIHEAP Program Notice 23-01

To: Executive Directors and LIHEAP Coordinators
From: Christine Taylor, Energy Assistance Bureau Chief
Date: July 29, 2022
Re: Changes to Iowa LIHEAP Policy and Procedures Manual

Effective Date: October 1, 2022

Iowa LIHEAP FY23 Policy and Procedures Manual

Listed below are notable changes to the *Iowa LIHEAP Policy and Procedures Manual* for the FY23 program year.

- 3.00 Outreach Offices
 - Open 16 hour per week minimum requirement for outreach offices no longer waived
- 4.20 Application Methods
 - If two different households wish to claim the same child, the first household to apply will be the only one in which the child can count as a member unless an extenuating circumstance (such as a 50/50 custody agreement) has been approved by the DCAA
- 5.30 Who Can Apply
 - Clarifies someone facing eviction can apply only if LIHEAP assistance will avert the eviction
 - Household members can only be listed on one LIHEAP application per year unless approved by the DCAA
- 5.40 Eligible/Ineligible Dwellings
 - CAA's must contact the state LIHEAP office in cases where a customer claims primary residence in and requests assistance with multiple properties in the same program year
- 5.41 Eligible Dwellings
 - Clarifies an RV/Camper is eligible *if* a customer is using it as a primary residence *and* has an energy burden
 - Clarifies that subsidized housing where heat and electric are both included in rent are ineligible for assistance because they have no energy burden
- 6.10 Eligibility Period to Qualify for Assistance
 - Specifies that the amount counted on a 1099 SSA form used for income verification should come from Box 5 of the form since this amount is the same that would be reported in Box 6a on a standard 1040
 - Clarifies that when using a tax return for income verification all pages completed by the customer or preparer that align with the current LIHEAP Tax Return Usage Guide must be uploaded to the system
- 6.60 Bank Statements
 - Bank statements must be no older than 60 days prior to date of application
- 7.00 Social Security Number (SSN) Documentation Requirements
 - Clarifies a SSN waiver will only be granted once in a lifetime (contact the state LIHEAP office if there are extenuating circumstance)

- Clarifies documentation does not need to be reverified unless a change in legal status has occurred *or* the documentation has expired
- 7.10 Acceptable Documentation
 - Clarifies if applicant presents acceptable documentation without the SSN printed on it, SSN can be provided verbally or in writing, such as on the application itself
 - Clarifies that a DL or photo ID with an old address on it can still be used for LIHEAP purposes
 - Clarifies that a REAL ID (with a star symbol on it) can be accepted regardless of in which state it was issued due to the requirements to obtain a REAL ID
 - Adds Medicaid Card to list of acceptable documents
 - Clarifies that 1099's and W-4's are acceptable provided the number does not start with a "9" as that indicates an Individual Taxpayer Identification Number (ITIN) which is reserved for certain nonresident and resident aliens, their spouses, and dependents who cannot get an SSN
- 7.20 Unacceptable Documentation
 - Clarifies an International Driver's License is not an acceptable document
- 7.30 Exceptions to the Social Security Number/I-94 Documentation Rule
 - Clarifies that the Iowa LIHEAP program does not report undocumented households to any entity – a household's status is held confidential and not shared with other parties
 - Sam.gov searches no longer need to be printed out, signed and dated; maintain electronically instead
- 8.20 ECIP/Crisis Files
 - Clarifies ECIP Heating Unit Repair/Replacement Inspection can now also be performed by an agency staff person who has completed Weatherization-provided Furnace or Combustion Health & Safety training
- 8.30 Vendor Files
 - Adds Non-Essential Service waiver to list of required documentation for water vendor files (when applicable)
- 8.40 HVAC Contractor Files
 - Clarifies Lead Renovator Certification is not needed if replacing a heating unit with no new ductwork
- 9.00 Moratorium on Winter Disconnections
 - Clarifies a LIHEAP-approved customer whose primary and secondary utilities are included in rent are ineligible for moratorium protection because of a lack of utility billing information
 - Clarifies that Municipals and REC's may require a deposit and transfer any applicable debt when a LIHEAP-approved household member relocates to a new residence where utilities have been disconnected
- 10.00 Payment Matrix
 - Minimum benefit \$0; Maximum benefit \$800; Minimum benefit for LP/fuel oil \$600
- 11.00 Payments
 - The term "LIHEAP" has been expanded to "LIHEAP Regular Assistance" to better identify Regular Assistance as a component of the LIHEAP program, not the program itself
 - Clarifies LP/fuel oil minimum benefit \$600
 - Clarifies water assistance payments can be made to an authorized third party with state LIHEAP office approval
 - Clarifies crisis payments cannot be made directly to the customer unless approved by the state LIHEAP office
- 11.10 Primary Energy Supplier/Vendor/Utility
 - Clarifies that when a customer heats with deliverable fuel but the award is being sent to the secondary utility, the award amount should be the same amount they would have received if it was being sent to the primary utility

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- Clarifies the following are supported expenses for a LIHEAP Regular Assistance payment; deliverable fuel deliveries, portable tanks, pressure and safety checks, leak seek test, emergency delivery fees (after hours, same day delivery & non-route delivery, etc.)
 - Clarifies the following are unsupported expenses for a LIHEAP Regular Assistance payment; pump-out fees, business accounts
- 11.40 Water Service Provider/Vendor/Utility
 - Clarifies water assistance payments cannot be made directly to a customer
 - Clarifies the circumstances and process for issuing water assistance payments to a third party
- 12.00 Vendors
 - Clarifies that by signing a Vendor Agreement a vendor cannot refuse to accept an assistance payment (unless that payment exceeds the amount needed to resolve a crisis), nor can a vendor put any additional conditions on accepting an assistance payment
 - Clarifies that under LIHWAP a deposit for new service is defined as a customer having never received any service from that vendor at any point in the past
 - Clarifies that under LIHWAP deposits for reconnecting service are a supported expense
- 12.21 Deliverable Fuel Vendor Agreement
 - Clarifies that the quoted price of market delivery will remain as it is the day the quote is provided
 - Provides an Iowa Dept. of Agriculture resource for researching recent average deliverable fuel prices
- 12.23 Supported Expenses
 - Clarifies the gas line from a tank to the house is also a supported expense
- 13.30 Disconnected from Water Service Provider
 - Clarifies that the amount paid for a water crisis can only represent what is owed for water-related services
- 14.00 Change of LIHEAP Customer Status
 - Clarifies that when a LIHEAP-approved household member moves out, both household are able to apply for crisis, but the new household will need to have income eligibility reverified
- 14.10 Prior to LIHEAP Payment being sent to the Vendor
 - Clarifies if a LIHEAP-approved household moves prior to the vendor receiving the payment any excess funds remaining after paying amounts owed on the account can be handled by either forwarding the funds to the household's new vendor (if known), or forwarding the funds directly to the customer (if vendor is not known)
- 14.20 After LIHEAP Payment is sent to Vendor
 - Clarifies excess funds can be sent directly to the customer if the customer's new vendor has not signed a Vendor Agreement
 - Clarifies best practices in maintaining refund records
- 15.00 Crisis Assistance
 - The term "Crisis Program" has been replaced with "Crisis Assistance" in order to better identify crisis as a component of the LIHEAP program, and not a separate program
 - Changes the start date for accepting crisis only applications (weatherization app or crisis intake form) from May 1st to "After the heating season ends"
- 15.22 Heating Unit Repair/Replacement NOT with Weatherization
 - Expenditure limit still \$4,000; waiver request allowed
 - Clarifies that a tune & clean can be a supported expense only when necessary to resolve a heating crisis
 - Clarifies if a repair would cost more than \$1,000 (minus inspection fees) the state LIHEAP office should be contacted to discuss unit replacement
 - Changes inspection maximum to \$200
 - Clarifies no agency inspection is required for a heating unit replacement *if* an inspection is already required by the city or other jurisdiction, but supporting documentation of that inspection must be included in the household file

- Clarifies a heating unit replacement inspection can be performed by an agency Weatherization Auditor, HVAC technician, QCI inspector, or an agency staff person who has completed Weatherization-provided Furnace or Combustion Health & Safety training
- Clarifies a heating unit repair does not require an inspection by the agency, but the agency must provide some follow up with the customer to ensure the unit is functioning properly and this must be noted in the file
- Clarifies crisis funds cannot be used to address distribution systems for in-floor radiant heating units and that if no other funds exist to cover such costs crisis assistance cannot be provided
- Clarifies situations that warrant the removal of an A-coil
- Clarifies that situations where no heating system currently exists should be referred to the state LIHEAP office for further guidance
- Clarifies that purchasing a home with a faulty heating unit does not exclude a customer from receiving heating unit repair/replacement assistance regardless of if the customer was aware of the situation or not
- Clarifies that when a homeowner passes away and other members of the household remain in the home and request a heating unit repair/replacement they must provide proof of residency in the home, have a legal claim to the home, and the estate cannot be in probate
- Clarifies the following are supported expenses for heating unit repair/replacement; motor for pellet stove, heat pumps, radiators
- Clarifies the following are unsupported expenses for heating unit repair/replacement; carbon monoxide detectors, replacing old or inefficient units that are functioning properly, installation of used heating units, installation of heating units in a home that is for sale or is uninhabitable, payments on contractor invoices for replacement heating units prior to the work being inspected
- 15.30 Shelter, Blankets, Electric Portable Space Heaters
 - Clarifies this section pertains to both renters and home-owners, and that a waiver can be requested for extenuating circumstances
- 15.40 Emergency Delivery – Energy
 - Clarifies customer-owned tank replacement is capped at the max expenditure limit
 - Clarifies diversion fees are considered unsupported expenses
- 15.50 Emergency Reconnect – Energy
 - Expenditure limit reverts to \$500
 - Clarifies the LIHEAP benefit is to be paid to the vendor, not to the customer
 - Clarifies Supported vs Unsupported expenses
- 15.60 Service Continuity – Energy
 - Clarifies a payment is to be made in the amount needed to avert disconnection up to the maximum of \$500, and that waivers can be requested for extenuating circumstances
 - Clarifies Supported vs Unsupported expenses
- 15.70 Emergency Cooling – Energy
 - Expenditure limit raised to \$500, and waivers can be requested for extenuating circumstances
 - Clarifies AC unit tune and clean is a supported expense only when necessary to resolve the crisis
 - Clarifies that Weatherization approved HVAC contractors are required for repair/replacement work that is coordinated by LIHEAP
 - Clarifies that work done by a non-weatherization approved contractor can only be reimbursed if that contractor is registered with Iowa Workforce Development
 - Clarifies that landlord authorization for a window AC unit does not require a signature if the approval statement is on official letterhead or email address
- 15.80 Drinking Water and Wastewater – LIHWAP
 - Clarifies that households must be LIHEAP eligible and that they can receive LIHWAP assistance without also having to receive assistance with primary/secondary utilities

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- Provides guidance on how to calculate percentages of supported expenses for water bills that do not itemize charges
 - New rule – Households may not receive more than 2 LIHWAP assistance payments per program year
- 15.81 Emergency Reconnect – Water
 - Clarifies waivers can be requested to pay only water-related amounts that exceed the max
 - Clarifies third party payments may be made with state LIHEAP office approval only
- 15.82 Service Continuity – Water
 - New rule – Per OCS any past due amount owed for water-related services can be assumed to lead to disconnection and can therefore be addressed by Service Continuity – no longer necessary to prove imminent risk of disconnection is present at time of application
 - Clarifies waivers can be requested to pay only water-related amounts that exceed the max
 - Clarifies third party payments may be made with state LIHEAP office approval only
 - Clarifies agencies are not responsible for enforcing the rent reduction clause within the landlord verification form
- 15.83 Supported Expenses – Water
 - Clarifies reconnection deposits are supported expenses and provides a definition
 - Clarifies fees required of all customers and not specifically tied to a non-water service are supported expenses
 - Clarifies Non-sufficient funds fees are supported expenses when the fee is within the water provider's billing statement
- 15.84 Unsupported Expenses – Water
 - Clarifies deposits for first-time service are unsupported expenses
 - Clarifies fees for equipment tampering are an unsupported expense
 - Clarifies that energy and non-essential services (unrelated to water) are unsupported expenses
 - Provides for the payment of non-essential services in situations where property liens are levied against homeowners for non-payment of water/sewer charges *with* state LIHEAP office approval
- 17.20 Program Support – LIHWAP
 - Changes the word "can" in the first sentence to "must" regarding what expenses qualify as Program Support under LIHWAP
- 18.00 Monthly Funding Request and Expenditure Report
 - Clarifies projected line items must be paid within 30 calendar days of receipt of funds at the agency
 - Clarifies that amounts requested on monthly expenditure reports will be held by the DCAA until any Cash-on-Hand amount listed on the most recent monthly report has been received
- 20.00 Definitions
 - Revised definition of "Benefit(s)" to 'Any LIHEAP program assistance provided to the household'
 - Revised definition of "Household" to better align with the most recent US Census office definition
 - Clarifies in the definition of Non-essential Services that the term refers to any non-water related services
 - Added definition of 'Obligation' to align with HHS guidance
 - Added 'Veteran housing paid for by VA Supportive Housing' to list of Subsidized Housing
- Appendix A – Sample Press Release
 - Updated dates and income maximums
- Appendix B – Poverty Guidelines
 - Updated poverty guidelines
- Appendix C – Income Source Guide
 - Removed references to 'CARES Act Economic Rebates and Expanded Unemployment Benefits' as those have expired

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- Added information for 'Depreciation for Farm or Business Assets' – Not Countable
- Added 'Paid Time Off' and 'Per Diem' to Earned Income
- Clarifies that while EITC is not countable, it still must be tracked for CSBG purposes
- Added information for 'Employers Fringe Benefits' – Not Countable
- Added 'Health Savings Account' to 'Flex Spending Account' – Not Countable
- Added 'Kinship Care' to 'Foster Care'
- Added 'Life Insurance' – Not Countable
- Added 'Military Combat Zone Pay' – Not Countable
- Clarifies pension statements must be within the last 12 months, and bank statements cannot be older than 60 days old
- Clarifies for 'Social Security Benefits' that Box 5 is the countable amount when using a SSA 1099 form for income verification
- Appendix D – Energy Burden Table
 - Clarifies LIHEAP customer living in subsidized housing with primary and secondary utilities included in rent have no energy burden
 - Added customer not being charged by landlord or anyone for primary and secondary utility service has no energy burden
- Appendix H – Heating System Installation Standards
 - Clarifies that requests for a fuel switch must be approved by the state LIHEAP office
 - Clarifies that when a condensate pump cannot be installed for a 90%+ efficient unit, an 80% efficient furnace may be installed. Notations explaining the need for an 80% unit are to be included in the file