CHAPTER 10
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM


LIHEAP is designed to aid qualifying low-income Iowa households (homeowners and renters) in the payment of a portion of their residential heating costs for the winter heating season, to encourage regular utility payments, to promote energy awareness and to encourage reduction of energy usage through energy efficiency, client education, and weatherization.


10.2(1) Households with incomes at or below the annually determined guidelines, but not to exceed 150 percent of the Office of Management and Budget’s federal poverty income guidelines, revisions of which are published annually in the Federal Register, may be eligible for assistance under LIHEAP. To receive benefits, an application must be made, eligibility determined, and program funds available before any payments may be made.

10.2(2) All payments are contingent upon the availability of federal funds.

10.2(3) The amount of assistance a household may receive depends upon available funding, total household income, household size, dwelling type, type of primary heating fuel the household uses, other targeting factors enumerated in the payment matrix, and whether a household qualifies for a crisis assistance award as described in 10.14(216A,PL97-35,PL98-558) in addition to the basic energy assistance payment.

10.2(4) Residents of publicly assisted housing units who are not billed directly for their primary heating source by a utility company and whose rent is established as a percentage of their income are not eligible for assistance.

10.2(5) All clients applying for this program will simultaneously be making application for weatherization assistance, and 427—Chapter 5 shall govern such weatherization applications.

10.2(6) Both owner-occupied and renter-occupied households will be assisted.


10.3(1) The department of human rights shall administer the LIHEAP program by contracting with local administering agencies (LAAs) meeting program and fiscal guidelines as required by federal law.

10.3(2) Outreach activities. The LAAs will be required to sign a contract which specifies required and allowable program activities, including Department of Health and Human Services regulations, special conditions, transfer of electronic data to fuel vendors and the state, program and fiscal reporting to department of human rights, and audit requirements.

10.3(3) Each LAA will ensure that eligible households are made aware of this program. In addition to its normal outreach functions, each LAA will authorize its workers to take applications in a potential client’s home as well as at local community, church, and elderly centers. The program is to be made easily accessible to all who are eligible, especially the elderly and disabled. All LAAs are required to visit each elderly meal site in their geographic area to publicize the Energy Assistance program. When taking applications at a location other than an outreach office, the date and time of the visit should be publicized at least one week in advance.

Applications may be made by mail. A notice of the appeal and hearing procedure must be posted at each intake site, and a copy of the appeal and hearing procedure and any other state-required handouts must be given to each client at the time of application.

427—10.4(216A,PL97-35,PL98-558) Application period. Clients may apply for energy assistance between the first working day of October and April 15 of each year. Applications will be processed and
the applicant and the appropriate energy suppliers notified of eligibility within 30 days of the date of application to comply with the terms of the winter moratorium on disconnections.


10.5(1) Proof of income eligibility is required. All income shall be verified for each household member based on the 3-month or 12-month period immediately preceding the application date or the most recent calendar year. Verification of income shall be made through documentary evidence in the possession of the applicant household. If documentary evidence is not available from the household, verification shall be obtained from the source of income.

10.5(2) Household income refers to total annual cash receipts before taxes from all sources, with the exceptions noted below. Income includes money, wages and salaries before any deductions; net receipts from nonfarm self-employment (receipts from a person’s own unincorporated business, professional enterprise, or partnership after deductions for business expenses); net receipts from farm self-employment (receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses); regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, workers’ compensation, veterans’ payments, public assistance (including Family Investment Program, Supplemental Security Income, emergency assistance money payments, nonfederally funded general assistance or general relief money payments), training stipends; alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household; private pensions, government employee pensions (including military retirement pay), regular insurance or annuity payments; college or university scholarships, assistantships; dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.

10.5(3) For program eligibility purposes, income does not include the following: capital gains, any assets drawn down as withdrawals from a bank, the sale of property, a house, or a car; tax refunds, gifts, loans, lump-sum inheritances, one-time insurance payments, or compensation for injury. Also excluded are noncash benefits, such as employer-paid or union-paid portion of health insurance or other employee fringe benefits, food or housing received in lieu of wages, the value of food and fuel produced and consumed on farms, the imputed value of rent from owner-occupied nonfarm or farm housing, and such federal noncash benefit programs as Medicare, Medicaid, food stamps, school lunches, housing assistance, and other income, the exclusion of which is required by law.

10.5(4) Further income criteria and guidelines are contained in the Iowa state plan for the Low-Income Home Energy Assistance Program and the Low-Income Home Energy Assistance Program Procedures Manual as described in 10.6(216A,PL97-35,PL98-558).

427—10.6(216A,PL97-35,PL98-558) Determining eligibility. The gross income of all household members residing in the household at the time of application shall be counted to determine eligibility. Any individual listed on an LIHEAP-approved application for the current fiscal year may not be listed on another application. Written verification of income is required of all participants before an application is complete. This verification may take the form of pay receipts, payroll checks, or a statement signed by the employer if the salary is paid in cash. Other evidence, such as copies of unemployment checks or Medicaid cards, may also be accepted. If an applicant refuses to produce proof of income and does not authorize the agency to verify earnings, the applicant shall not be eligible for program benefits. Written verification shall be provided before eligibility may be certified. An applicant may elect to use the most recent 90 days, the last 12 months, or the most recent calendar year to qualify. If an applicant is not eligible under the time period first selected, an alternative time period may be selected to qualify.

427—10.7 (216A,PL97-35,PL98-558) Energy assistance payments. No household is entitled to a certain amount or form of assistance from this program. Households must meet the income eligibility guidelines and there must be program funds available before assistance payments can be made. No payments will be made to households that are not responsible for payment of any portion of their heating costs. All payments are contingent upon the availability of federal funds. Both owner-occupied
and renter-occupied households will be assisted. The amount of assistance a household may receive depends upon available funding, total household income, household size, dwelling type, type of primary heating fuel the household uses, and whether a household qualifies for a bonus energy assistance award or a crisis assistance award in addition to the basic energy assistance payment.

10.7(1) Assistance awards. The availability of energy assistance awards shall be based on the amount of the annual Low-Income Home Energy Assistance block grant appropriation and the number of qualifying households and will be described in the state plan each year.


10.8(1) The following types of energy assistance payments may be made:

a. To home energy suppliers in the form of a single payment. One check may be issued to an energy supplier for more than one household. The client’s assistance shall remain as a credit on the client account until the program assistance is expended or the account is terminated. The basic energy assistance award is to be applied to the cost of the heating source supplying the household’s nonbusiness, residential, primary heating fuel.

b. Eligible households that pay an undesignated portion of the rent toward energy costs will receive assistance sent directly to the household for the full amount.

c. The assistance award for households whose primary source of heat is wood will be forwarded to the household’s electric supplier if a suitable wood vendor is not available. If no electric supplier exists, a direct payment for the “wood/coal” award may be made.

10.8(2) Duplicate and fraudulent payment control. Each LAA is required to provide a system to monitor and prevent possible duplicate and other fraudulent applications and payments. Duplication cross-checks shall be based on household members’ names, addresses and social security numbers.

10.8(3) Referrals. Each LAA is required to refer all suspected cases of fraud, including duplicate payments and fraudulent statements on applications, to the DHR/DCAA for investigation.

10.8(4) Overpayments. If the DHR/DCAA receives information from an LAA or from any source that an overpayment has occurred because of client error, client fraud, client misrepresentation or agency error, the DHR/DCAA may refer the overpayment to the department of inspections and appeals (DIA) for investigation and collection in accordance with the procedures under 481 IAC 71.

427—10.9(216A PL97-35 PL98-558) Change in status. The level of assistance for the program year will be determined based on the household’s circumstances at the time of approval. If a household moves or ceases to exist, any unused funds remaining with the vendor shall be returned to the local administering agency within 30 days. If the client contacts the local administering agency within 30 days after moving, any unused portion of the assistance award shall be forwarded to the client’s new vendor or to the client’s address. If the client fails to notify the agency of the new address within 30 days, any unused funds returned to the local administering agency shall be returned to program funds.

427—10.10(216A PL97-35 PL98-558) Prioritization of applications. Each LAA must notify the department of human rights in writing when 5 percent of its program budget remains unobligated. At that point, payments will be prioritized according to the date and time recorded on the intake form. For homebound and handicapped applications, the date and time of application shall be when the household first contacted the office, not when a home visit to the applicant is made.

427—10.11(216A PL97-35 PL98-558) Statewide database reporting. Each LAA shall provide the state, via computer diskette, a composite listing of all approved, denied and paid applications, including all client characteristics. This shall be done each time diskettes are sent to vendors, or at least weekly during the application and approval period.
427—10.12(216A,PL.97-35,PL.98-558) Vendor agreement. A signed vendor agreement must be on file with the LAA before any payments may be made. In the event a particular fuel supplier will not sign a vendor agreement, a direct payment may be made to the eligible applicant.

427—10.13(216A,PL.97-35,PL.98-558) Crisis assistance. To be eligible for crisis assistance, a household must file an application, must meet the income guidelines of the Energy Assistance Program, and must meet the definition of a “crisis situation.”

10.13(1) Definition. “Crisis situation” is defined as one which poses an immediate threat to life or health.

10.13(2) Evaluation. Each crisis situation will be evaluated individually by the LAA energy coordinator who shall determine the amount of assistance to be made up to the maximum allowed.

The nature of the crisis and the method of determining assistance shall be documented for the file and shall be subject to review by the local agency director.

10.13(3) Resolution. Federal regulations require that a life-threatening situation be evaluated and resolved in the following manner.

a. Not later than 48 hours after a household applies for energy crisis benefits, each administering agency must provide some form of assistance that will resolve the energy crisis if such household is eligible to receive such benefits;

b. Not later than 18 hours after a household applies for crisis benefits, each administering agency must provide some form of assistance that will resolve the energy crisis if such household is eligible to receive such benefits and is in a life-threatening situation; and

c. Each administering agency must;

(1) Accept applications for energy crisis benefits at sites that are geographically accessible to all households in the area to be served by such entity; and

(2) Provide to low-income individuals who are physically infirm the means to submit applications for energy crisis benefits without leaving their residences; or to travel to the sites at which such applications are accepted by such entity.

10.13(4) Crisis appeal procedure. Any household which has been denied crisis assistance may utilize the regular appeal procedure.

10.13(5) Crisis payments. A combination of one or more of the following crisis payments may be made to an eligible household to resolve a crisis situation:

a. In a life-threatening situation, an additional payment of up to $200 may be made after regular benefits have been exhausted to ensure an uninterrupted supply of fuel. This portion of the crisis program begins the first working day of November and ends the last working day of March.

b. Payment for repair or replacement of furnace/heating systems for eligible homeowners. A maximum payment of $1000 per household may be made. This component of the crisis program begins the first working day of October and ends the last working day of September.

c. Payment for obtaining temporary shelter, purchase of blankets or heaters. A maximum of $200 per household may be made. This component of the crisis program begins the first working day of October and ends the last working day of March.

d. Bill payment buy-down to avoid disconnection or to ensure reconnection. A payment of up to $100 each year may be made to heat or electric vendors to buy down an account balance upon which an eligible client will be required to arrange a bill payment plan. Applications will be accepted from the first working day of April until the last working day of October.

427—10.14(216A,PL.97-35,PL.98-558) Client services/assessment and resolution. Client services for assessment and resolution of energy management problems, including budget counseling, energy education, arranging deferred or budget payments, staying disconnects or negotiating payments or reconnections, will be made available to all energy assistance recipients on a year-round basis.

427—10.15(216A,PL.97-35,PL.98-558) Appeal and hearing procedures. The following appeal and hearing procedures shall be used.
10.15(1) When an applicant is denied assistance or believes that the assistance amount was incorrectly determined, the applicant has 30 calendar days from the date of the approval or denial letter to appeal that decision by mailing or delivering the request for appeal to the LAA.

10.15(2) If the local administering agency neither approves nor denies the application within 30 calendar days of receipt of a complete application, the applicant may treat the failure to act as a denial. The applicant then has 30 additional calendar days to appeal.

10.15(3) To appeal, the applicant (claimant) must contact the agency at which the application was made and tell the agency of the wish to appeal, what action the applicant would like taken, and any other information which might affect the decision. All appeals must be in writing. Those claimants unable to read or write shall have the LAA assist them in reading, writing, or understanding appeals, hearings, and their associated procedures.

10.15(4) The LAA will act on the claimant’s request and notify the claimant of the result in writing within seven calendar days of the date an appeal was requested (postmark date if sent in mail).

10.15(5) If the claimant does not agree with the decision reached, the claimant may write the LAA again within 17 calendar days of the decision (postmark date if sent in mail) and request that a state hearing be held. The claimant must explain in writing why the agency’s decision is being appealed and include any information which might affect the decision.

10.15(6) The agency will then forward all information about the request for a hearing to the state and a hearing will be scheduled. The claimant will receive written notice of a state scheduled hearing from the Iowa department of inspections and appeals. The notice will include the date, time, and place of the hearing. State hearings may be held by telephone at a mutually convenient time. Prior to the hearing the agency will provide an opportunity for the claimant to review the case file and any written evidence that will be used in the hearing. All hearings will be conducted in accordance with Iowa department of inspections and appeals contested case hearings, 481—Chapter 10.

427—10.16(216A,PL97-35,PL98-558) Further criteria. The low-income home energy assistance program state plan, the low-income home energy assistance program procedures manual and assistance award criteria for the program are incorporated by reference as part of these rules. These documents as well as delegate agreements and department of human rights reporting forms are on file at the address below and are available for public inspection between the hours of 8 a.m. and 4:30 p.m., Monday through Friday. Copies of these documents may be obtained at cost by contacting the Division of Community Action Agencies, Department of Human Rights, Lucas State Office Building, Des Moines, Iowa 50319, (515)281-3943.

These rules are intended to implement Iowa Code section 216A.92 and PL97-35 as amended by PL98-558.

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