

**LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM
BLOCK GRANT FOR FFY 2006**

Administered by
The Office of Community Services
Division of County Operations
Department of Health and Human Services

OVERVIEW

The purpose of the Low-Income Home Energy Assistance Program (LIHEAP) Block Grant is to provide funds to help eligible low-income households with the costs of home energy by offering assistance benefits, home weatherization services and Assurance 16 activities.

ALLOCATION OF FUNDS

Federal policy places certain restrictions on the use of the block grant funds: no more than 10% of the funds can be used for administrative costs; up to 15% of funds may be used for weatherization services and up to 5% may be used for Assurance 16 activities.

The Division proposes to use the Federal Fiscal Year (FFY) 2006 block grant funds as follows: Regular (Winter) Energy Assistance Program (53%), Crisis Intervention Program (17%), Home Weatherization Program (15%), Administration (10%) and Assurance 16 (5%).

SERVICES AND ELIGIBILITY

The Division proposes to administer the Low-Income Home Energy Assistance Program in a manner similar to the prior year. The primary objective of the HEAP program will be to provide assistance benefits as a one-time payment to approximately 60,000 households.

Eligibility for Winter Energy Assistance would be based on the following criteria:

1. Households' countable income cannot be more than 125% of the income poverty level;

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2. Households must have no more than \$2,000 in countable resources; for elderly households (age 60 and over), the limit is \$3,000;

Eligibility for Crisis Intervention Assistance is the same as for Winter Energy Assistance with the following exceptions:

1. Households must have an energy-related emergency situation;
2. The maximum benefit of \$300 per household, combined with the household's own resources, must be adequate to alleviate the crisis situation;

Assurance 16 activities are services provided which encourage and enable households to reduce their home energy needs and their need for energy assistance. These activities may include but are not limited to: Needs Assessments, Counseling, Energy Education and assistance with energy vendors.

The Division proposes that the **LIHEAP Weatherization Assistance Program** be administered in a manner similar to the prior year. The Weatherization Assistance Program would make energy-saving improvements to low-income dwelling units (priority is given to households with elderly and/or disabled members) with the following objectives:

1. To aid those individuals least able to afford high utility costs;
2. To provide for more healthy dwelling environments; and,
3. To help conserve needed energy.

It is estimated that approximately 566 homes will be weatherized with the LIHEAP funds at a cost of \$ 2,740.00 per home. This should result in substantial long-term energy savings.

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The LIHEAP program is implemented by local Community Action Agencies serving different areas of the state. Households must apply for assistance at the agency serving their county of residence.

For the Crisis Intervention Program, assistance to resolve the household's crisis situation must be provided within 48 hours after a signed application is received by the sub grantee agency. If the crisis situation is life-threatening, assistance must be provided within 18 hours after a signed application is received. For the Winter Energy Assistance program, assistance must be provided within 30 days.

APPEALS

Applicants of the Home Energy Assistance Program and Weatherization Assistance Program have the right to request an administrative hearing under these programs to contest any adverse action taken on an application.

PUBLIC COMMENT

Public comments regarding planned uses of the LIHEAP Block Grant will be considered in the Division's determination of fund allocation and eligibility criteria. Comments may be sent to the Division of County Operations, Attn: HEAP Unit, P. O. Box 1437/S330, Little Rock, Arkansas 72203. Comments must be received no later than thirty (30) days from the date of the published newspaper notice regarding this proposal.

The Arkansas Department of Health and Human Services is in compliance with Titles VI and VII of the Civil Rights Act and operates, manages and deliver services without regard to age, religion, disability, political affiliation, veteran status, sex, race, color or national origin.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

ABBREVIATED MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FISCAL YEAR (FY) 2006

DRAFT

GRANTEE **ARKANSAS**

EIN: **71-6007389**

ADDRESS **HOME ENERGY ASSISTANCE PROGRAM**

OFFICE OF COMMUNITY SERVICES

P. O. BOX 1437/S-330

LITTLE ROCK, ARKANSAS 72204

EMAIL: **cathy.rowe@mail.state.ar.us**

TELEPHONE: **501-682-8726** **FAX:** **501-682-6736**

LAST DETAILED MODEL PLAN FILED: FY 2005

PLEASE CHECK ONE: TRIBE _____ STATE X INSULAR AREA

**Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Washington, D.C. 20447**

August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01

OMB Approval No. 0970-0075

Expiration Date: 02/28/2005

THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)

Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which a grantee is not required to use the detailed model plan. Public reporting burden for this collection of information is estimated to average 20 minutes per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Assurances

The Department of Health and Human Services agrees to:
(grantee name)

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs,

and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of--

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that--

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendored payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that,

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year and not transferred pursuant to section 2604(f) for use under another block grant; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds

paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15)* beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

*** This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Territories with annual allotments of \$200,000 or less and Indian tribes/tribal organizations are not subject to Assurance 15.**

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended.* By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment and suspension, and a drug-free workplace.

Signature of the Tribal or Board Chairperson or Chief Executive Officer of the State or Territory.**

Signature: _____

Title GOVERNOR

Date: _____

* Indian tribes/tribal organizations, and territories with annual regular LIHEAP allotments of \$200,000 or less, are not subject to assurance 15, and thus must only certify to 15 assurances.

** If a person other than the Chief Executive Officer of the State or territory, or Tribal Chairperson or Board Chairperson of a tribal organization, is signing the certification to the assurances, a letter must be submitted delegating such authority. (PLEASE ATTACH DELEGATION AUTHORITY.) The delegation must include authority to sign the assurances, not just to administer the program.

*** HHS needs the EIN (Entity Identification Number) of the State, territory or Tribal agency that is to receive the grant funds before it can issue the grant.

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, an Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.

Modified LIHEAP FY 2006 Application

Please list all changes made from your most recent detailed plan.

<u>Page</u>	<u>Subject</u>	<u>Modification</u>
27 & 27A	Leveraging Activities	See Attachment 27A

Please specify whether you are using calendar year 2005 poverty level or FY 2006 median income estimates in determining eligibility:

2005 poverty level 125%

OR

FY 2006 median income _____%

Please describe how you obtained public participation in the development of your 2004 plan. (For States, please also provide information on your public hearings.):

July 12, 2005 – Harrison, Arkansas
July 15, 2005 – West Memphis, Arkansas
July 18, 2005 – Little Rock, Arkansas
July 19, 2005 – Prescott, Arkansas

Date carryover and reallocation report submitted:

Submit Continuation Pages as Necessary

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY	Department of Health and Human Services
DIVISION	Division of County of Operations
DIVISION DIRECTOR	Joni Jones
CONTACT PERSON	Cathy Rowe
ADDRESS	P.O. Box 1437 Slot S330, Little Rock, AR 72203-1437
PHONE NUMBER	501/682-8726
FAX NO.	501/682-6736
E-MAIL	Cathy.Rowe@Arkansas.Gov

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets, if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire attached to the front of two (2) copies of your proposed rule and mail or deliver to:

Donna K. Davis
Subcommittee on Administrative Rules and Regulations
Arkansas Legislative Research
Bureau of Legislative Research
Room 315, State Capitol
Little Rock, AR 72201

1. What is the short title of this rule?

Low-Income Home Energy Assistance Program (HEAP) State Plan for FY 2006

2. What is the subject of the proposed rule?

Serves as Arkansas' application for federal funds for implementation of the HEAP program.

3. Is this rule required to comply with federal statute or regulations? Yes ☒ No ☐

If yes, please provide the federal regulation and/or statute citation.

Low-Income Home Energy Assistance Act, as amended (Title XXVI) of P.L. 97-35.

4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? Yes ☐ No ☒

If yes, what is the effective date of the emergency rule? N/A

When does the emergency rule expire? N/A

Will this emergency rule be promulgated under the regular provisions of the Administrative Procedure Act?
Yes ☐ No ☐

5. Is this a new rule? Yes ☐ No ☒ If yes, please provide a brief summary explaining the rule.

Does this repeal an existing rule? Yes ☐ No ☒ If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule? Yes ☐ No ☒ If yes, please attach a markup showing the changes in the existing rule and a summary of the substantive changes. Note: The summary should explain what the amendment does, and the mark-up should be clearly labeled "mark-up".

6. Cite the state law that grants the authority for this proposed rule. If codified, please give Arkansas Code citation.

N/A

7. What is the purpose of this proposed rule? Why is it necessary?

It serves as Arkansas' application for federal home energy assistance funds for FY 2004 to assist low-income households with their home energy costs.

8. Will a public hearing be held on this proposed rule? Yes ☒ No ☐

If yes, please complete the following:

Date:	July 12, 2005	July 15, 2005	July 18, 2005	July 19, 2005
Time:	11:00 a. m.	11:00 a.m.	11:00a.m.	11:00 a.m.
Place:	Harrison, Arkansas	West Memphis, Arkansas	Little Rock, Arkansas	Prescott, Arkansas

9. When does the public comment period expire for permanent promulgation? (Must provide a date.)

30 days from the date of the published notice of hearings (August 9, 2005).

10. What is the proposed effective date of this proposed rule? (Must provide a date.)

October 1, 2005

11. Do you expect this rule to be controversial? Yes ☐ No ☒ If yes, please explain.

12. Please give the names of persons, groups, or organizations that you expect to comment on these rules. Please provide their position (for or against) if known.

Names	Category	For	Against
Local Community Action Agency staff		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Low-income citizens/ HEAP Program applicants		<input checked="" type="checkbox"/>	<input type="checkbox"/>

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Health and Human Services
DIVISION County Operations
PERSON COMPLETING THIS STATEMENT Cathy Rowe
TELEPHONE NO. (501) 682-8726 FAX NO. (501) 682-6736 EMAIL: Cathy.Rowe@arkansas.gov

FINANCIAL IMPACT STATEMENT

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with questionnaire and proposed rules.

SHORT TITLE OF THIS RULE

Home Energy Assistance Program (HEAP) State Plan for FY 2006

1. Does this proposed, amended, or repealed rule or regulation have a financial impact?
Yes ☐ No ☒
2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibitive please
N/A
3. If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation. Please indicate if the cost provided is the cost of the program.

Current Fiscal Year

General Revenue	<u>-0-</u>
Federal Funds	<u>10,959,028</u>
Cash Funds	<u>-0-</u>
Special Revenue	<u>-0-</u>
Other (Identify)	<u>-0-</u>
Total	<u> </u>

Next Fiscal Year

General Revenue	<u>-0-</u>
Federal Funds	<u>10,959,028</u>
Cash Funds	<u>-0-</u>
Special Revenue	<u>-0-</u>
Other (Identify)	<u>-0-</u>
Total	<u> </u>

4. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation? Identify the party subject to the proposed regulation, and explain how they are affected.

Current Fiscal Year

\$ 0.00
\$
\$

Next Fiscal Year

\$ 0.00
\$
\$

5. What is the total estimated cost by fiscal year to the agency to implement this regulation?

Current Fiscal Year

\$450,000.00-Federal Funds
\$

Next Fiscal Year

\$450,000.00-Federal Funds for staff/administrative
\$ expenses