

**REPORT OF THE
VIRGINIA DEPARTMENT OF SOCIAL SERVICES**

**Effectiveness of Low-Income
Energy Assistance Programs**

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**



HOUSE DOCUMENT NO. 7

**COMMONWEALTH OF VIRGINIA
RICHMOND
2002**



COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

October 1, 2001

To: The Honorable James S. Gilmore, III

and

The General Assembly of Virginia

The report contained herein is pursuant to House Bill 2473 (2001). The 2001 General Assembly directed the Department of Social Services to submit annual reports on the effectiveness of low-income energy assistance programs in meeting the needs of low-income Virginians. This is the first report.

The report cost the Commonwealth of Virginia an estimated \$2,600 to complete. Approximately 96 manhours were spent on completing this report. This includes staff time to compile and analyze the data and write the report.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Sonia Rivero".

Sonia Rivero
Commssioner

Report on the Effectiveness of Low-Income Energy Assistance Programs

PREFACE

House Bill 2473 as passed by the 2001 Virginia General Assembly requires the Department of Social Services to report annually to the Governor and General Assembly on or before October 1 on the effectiveness of low-income energy assistance programs in meeting the needs of low-income Virginians.

This first year report contains data compiled in conjunction with the Department for the Aging; the Department of Housing and Community Development; Dominion Virginia Power; and American Electric Power.

Report on the Effectiveness of Low-Income Energy Assistance Programs

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Report on the Effectiveness of Low-Income Energy Assistance Programs

EXECUTIVE SUMMARY

House Bill 2473 as passed by the 2001 Virginia General Assembly amended Title 63.1 of the *Code of Virginia*, by adding Chapter 22 consisting of Sections 63.1-336 through 63.1-343. Section 63.1-339.A.2. requires the Department of Social Services to report annually to the Governor and General Assembly on or before October 1 on the effectiveness of low-income energy assistance programs in meeting the needs of low-income Virginians.

Many energy assistance programs exist in Virginia to assist low-income households. Many of these programs work in conjunction with the Virginia Energy Assistance Program, which is based on and funded by the federal Low Income Home Energy Assistance Program. This report includes information on state-operated programs such as the Virginia Energy Assistance Program and the Weatherization Program, and utility based programs such as EnergyShare, Fan Care and the Neighbor to Neighbor Program.

The determination of need is governed by the rules for each of the low-income energy assistance programs. Household size, income, energy burden (cost of energy in relation to income), or the debt to income ratio, and the presence of a vulnerable person (age 60 or older, disabled, or under age 6) in the home is used in establishing need for assistance.

Most programs in Virginia measure program effectiveness by customer satisfaction and number of households served. This report covers federal fiscal years 1999, 2000, and 2001 (through July 30, 2001) and addresses effectiveness in relationship to numbers of households served.

Low-income households spend a large percentage of their income on residential energy. Data captured by the Virginia Energy Assistance Program reveals that 75 percent of the households receiving assistance in Virginia spend in excess of 50 percent of their income on home energy. The Virginia Energy Assistance Program in conjunction with other programs will continue to assist low-income households that have the highest energy costs or needs.

Report on the Effectiveness of Low-Income Energy Assistance Programs

LEGISLATIVE MANDATE

House Bill 2473, as passed by the 2001 General Assembly, adds sections 63.1-336 through 63.1-343 to the *Code of Virginia*. Section 63.1-339.A states:

"A. The Department shall establish and operate the Home Energy Assistance Program. In administering the Program, it shall be the responsibility of the Department to...

2. Report annually to the Governor and General Assembly on or before October 1 of each year on the effectiveness of low-income energy assistance in meeting the needs of low-income Virginians."

See Appendix I for a copy of House Bill 2473.

BACKGROUND

The 2000 General Assembly passed Senate Joint Resolution 154 directing the Consumer Advisory Board, which was established pursuant to the Virginia Electric Utility Restructuring Act (1999), to study all aspects of low-income household energy assistance programs in the Commonwealth. The Resolution directed the Consumer Advisory Board to address whether Virginia should:

- Establish a State policy with respect to the availability of affordable electricity and other sources of energy to all Virginians;
- Create a new program assisting low-income households with a basic level of electric utility service;
- Expand existing programs, or establish new programs, assisting low-income households with seasonal energy needs regardless of the energy source;
- Consolidate existing public programs providing energy assistance for low-income households;
- Coordinate efforts of private, voluntary energy assistance programs with public programs and other private programs;
- Provide incentives to encourage voluntary contributions to energy assistance programs, including the feasibility of tax credits as an incentive for energy consumers and suppliers to fund needed energy assistance programs for low-income households;
- Address the likelihood of continued declines in federal funding for the Low Income Home Energy Assistance Program and the Weatherization Assistance Program; and

- Use other funding sources, such as penalties or fees assessed on competitive energy providers, to pay for energy assistance programs for low-income households.

The findings and recommendations of the Consumer Advisory Board were submitted to the Legislative Transition Task Force for inclusion in its report to the Governor and the 2001 Session of the General Assembly. The General Assembly addressed the task force's recommendations when it enacted House Bill 2473.

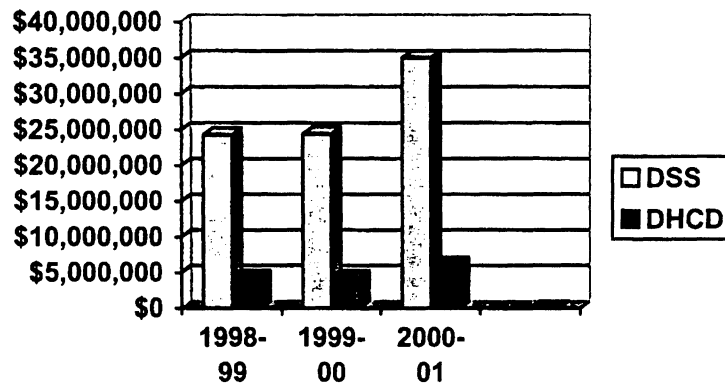
LOW-INCOME ENERGY ASSISTANCE PROGRAMS

Energy is generally perceived as a necessity of life. Basic energy services are necessary for health, comfort and safety. Energy assistance programs were developed to ensure that low-income households, particularly those with the lowest income, are able to meet their home energy needs. Private and public programs have been developed to target the low-income households that have the highest energy costs and needs.

Several programs exist in Virginia. The following low-income programs are either administered by or funded in whole or in part by the Department of Social Services. These programs help to provide a better quality of life for many low-income citizens.

Virginia Energy Assistance Program

The Department of Social Services administers the Virginia Energy Assistance Program that is 100 percent federally funded by the Low-Income Home Energy Assistance Program Block Grant through the United States Department of Health and Human Services. Eighty-five percent of the Low Income Home Energy Assistance Program funds are used by the Department of Social Services for the Energy Assistance Program, which includes Fuel, Crisis and Cooling Assistance. The Virginia Department of Housing and Community Development (DHCD) uses 15 percent for the Weatherization Program.



In an effort to assist the neediest citizens of Virginia, the Cooling and Crisis Assistance components of the Virginia Energy Assistance Program target households with vulnerable persons, age 60 or older, disabled, and children under age 6. Applicants must apply at the local department of social services in their locality of residence. Income eligibility is based on 130 percent of the Federal income poverty guideline (see Appendix II). Maximum monthly income amounts change yearly. The Virginia Energy Assistance Program income eligibility levels for Federal Fiscal Year 2001 in relationship to household size were as follows:

Household Size	Maximum Monthly Income	Household Size	Maximum Monthly Income
1	\$ 931	13	\$4,857
2	\$1,258	14	\$5,184
3	\$1,585	15	\$5,511
4	\$1,912	16	\$5,838
5	\$2,239	17	\$6,165
6	\$2,566	18	\$6,492
7	\$2,894	19	\$6,820
8	\$3,221	20	\$7,147
9	\$3,548	21	\$7,474
10	\$3,875	22	\$7,801
11	\$4,202	23	\$8,128
12	\$4,529	24	\$8,455

Fuel Assistance Component

The Fuel Assistance Component supplements the purchase of home heating fuel inclusive of fees and services. Benefits are not intended to cover the household's total cost during the heating season.

The application process begins on the second Tuesday in October and ends on the second Friday in November. Preprinted applications are mailed to prior year recipients and must be returned to the local department of social services prior to the second Friday in November. The amount of benefits is determined and customers are notified in mid-December.

Fuel/utility vendors bill the program for fuel deliveries or monthly heat utility service until the customer's approved benefit is exhausted or March 31, whichever occurs first. A vendor agreement guarantees fuel deliveries to households with delinquent bills or that may not be credit worthy.

The Fuel Assistance population is fairly stable, and many households receive assistance for multiple years. The program pays approximately one-third of an eligible household's total energy cost for the heating season.

The following chart indicates expenditures and the number of households that received Fuel Assistance during the past three federal fiscal years.

Federal Fiscal Year	1998-99	1999-00	2000-01
Expenditures	\$19,467,251	\$21,928,234	\$24,166,367
Households Served	84,068	82,789	84,051

Crisis Assistance Component

Crisis Assistance helps to prevent or alleviate a no heat or potential no heat crisis situation when the assistance will ensure heat for the household. Assistance may be used to supplement assistance from another program or resource. In addition to income and residency requirements, an applicant must have no heat in the home or be threatened with a potential no heat crisis situation. The household must contain at least one person who is age 60 or older, disabled, or under age 6.

Applications for Crisis Assistance are taken from November 1 through March 15 unless funds are depleted earlier. The types of assistance provided are:

- Payment or waiver of primary heat utility security deposit.
- Purchase of portable space heaters for temporary use.
- Purchase of primary home heating fuel when low or out of fuel.
- Payment for emergency shelter when there is no heat in the house.
- Payment of primary heat utility bill to avoid or reverse disconnection.
- Purchase or repair of heating equipment.

The following chart indicates Crisis Assistance expenditures and the number of households that received Crisis Assistance during the past three federal fiscal years.

Federal Fiscal Year	1998-99	1999-00	2000-01
Expenditures	\$1,910,420	\$1,961,1904	\$3,128,323
Households Served	4,255	4,912	9,890

The increase shown for Federal Fiscal Year 2001 is based on a significant increase in cost of fuel, which resulted in an increase in applications this year. These applicants were not served through the Fuel Assistance Component. The program assisted 7,314 new households with the purchase of fuel through the Crisis Assistance Component. In Federal Fiscal year 2000 only 3,032 households were assisted with fuel purchases through the Crisis Assistance Component.

Cooling Assistance Component

Cooling Assistance provides assistance to purchase or repair cooling equipment, or to pay for electricity to operate cooling equipment. Applications are received and assistance offered from June 15 through August 15 when funds are available. Applicants must meet income and residency requirements and the household must have a person who is age 60 or older, disabled, or under age 6.

Assistance is provided to purchase fans and air conditioners, to repair and install fans and air conditioners, to pay electric bills and electric security deposits. The following chart indicates expenditures and the number of households that received Cooling Assistance during the past three federal fiscal years.

Federal Fiscal Year	1998-99	1999-00	2000-01
Expenditures	\$2,866,295	\$3,096,843	\$2,900,000
Households Served	7,533	10,903	11,117

Weatherization Assistance Component

The Virginia Department of Housing and Community Development administers the Weatherization Assistance Component of the Virginia Energy Assistance Program using 15 percent of the Low Income Home Energy Assistance Program grant. House Bill 1103 passed by the 1998 General Assembly directed the Department of Social Services to allocate at least 15 percent of Virginia's federal low-income home energy assistance program funding to low-income weatherization assistance programs.

This Weatherization Assistance Component is in addition to the Weatherization Program funded by the United States Department of Energy. Assistance is provided to help reduce the energy burden on low-income families by installing cost-effective energy efficiency measures, and to decrease home energy consumption by saving natural resources, reducing carbon emissions, and improving the local housing stock. The types of assistance provided are:

- Insulate, caulk, and weather-strip to seal air leaks.
- Install ventilation fans.
- Repair leaky duct systems.
- Repair and replace inefficient or unsafe heating and cooling systems.

Applications are taken year round by 22 local weatherization agencies under contract with the Department of Housing and Community

Development. Priority service is given to single family households that contain an elderly or disabled member or child(ren).

The following chart indicates expenditures and the number of households that received weatherization assistance during the past three federal fiscal years.

Federal Fiscal Year	1998-99	1999-00	2000-01
Expenditures	\$2,836,192	\$4,309,055	\$5,621,839
Households Served	948	1,974	1,426

Fan Care Program

The Virginia Department for the Aging administers the Fan Care Program. The program assists low-income elderly citizens, age 60 and older, in meeting their cooling needs. Dominion Virginia Power and other monetary and in-kind contributions provide funding. Dominion Virginia Power contributes \$27,500 annually to purchase fans, but allows up to 30 percent of those funds to purchase air conditioners for customers with more serious conditions. The Fan Care Program operates from June 1 through September 30 or until funds run out.

The following chart indicates the expenditures and the number of fans and air conditioners purchased during federal fiscal years 1999 and 2000.

Federal Fiscal Year	Fans	Air Conditioners	Expenditures
1998-99	1,697	59	\$27,500
1999-00	2,062	85	\$27,500
2000-01	Not Available	Not Available	Not Available

Summer Cooling Program

The Virginia Department for the Aging through a Memorandum of Understanding administers a Summer Cooling Program funded by the Department of Social Services. The program assists elderly citizens, age 60 and older, who have income at or below 150 percent of the poverty level in meeting their cooling needs. Social Services provides \$75,000 to \$100,000 annually to purchase or repair cooling equipment or assist with electric payments. The Summer Cooling Program operates from June 15 through August 15 or until funds run out.

The following chart indicates the expenditures and the number of households that received Summer Cooling assistance during federal fiscal years 1999 and 2000.

Federal Fiscal Year	1998-99	1999-00	2000-01
Expenditures	\$75,000	\$100,000	Not Available
Households Served	668	773	Not Available

Weatherization Assistance Program

The Virginia Department of Housing and Community Development administers the Weatherization Assistance Program funded by the United States Department of Energy. Weatherization assistance eases the energy burden for those low-income households whose homes have been weatherized. This program is available to renters as well as homeowners.

Assistance is provided to help reduce the energy burden on low-income families by installing cost-effective energy efficiency measures, and to decrease home energy consumption by saving natural resources, reducing carbon emissions, and improving the local housing stock. The Weatherization program also seeks to ensure residents health and safety through the installation of carbon monoxide detectors. The types of energy efficiency measures taken are:

- Seal air leaks with insulation, caulking, and weather-stripping.
- Install ventilation fans.
- Repair leaky duct systems.
- Repair and replace inefficient or unsafe heating and cooling systems.

The following chart indicates expenditures and the number of households that received weatherization assistance during the past three federal fiscal years.

Federal Fiscal Year	1998-99	1999-00	2000-01
Expenditures	\$1,920,750	\$1,955,305	\$1,907,455
Households Served	1,462	1,347	1,732

LEVERAGING INITIATIVES

The Augustus F. Hawkins Human Services Reauthorization Act of 1990 (Public Law 101-501) established a leveraging incentive program to reward grantees of the Low Income Home Energy Assistance Program that have acquired non-Federal home energy resources for low-income households. Incentive awards are given to grantees that use their own or other non-Federal resources to expand the effect of the Federal Low Income Home Energy Assistance Program dollars. In lay terms, leveraging is the negotiation of energy resources to help low-income households meet the cost of energy at no cost or a reduced cost. Leveraged benefits represent a net addition to the total home energy resources available to low-income households in excess of the amount of such resources that could be acquired by these households at commonly available household rates or costs.

The Department of Social Service's current leveraging initiatives with vendors provide benefits at no cost to the Virginia Energy Assistance Program, thereby representing savings to the program and also providing program revenue in the form of incentive awards from the United States Department of Health and Human Services.

The amount of money saved due to the leveraging initiatives and the incentive awards received from the Department of Health and Human Services because of the savings are:

Federal Fiscal Year	Savings	Initiative Award
2000-01	\$ Not Available	Not Available
1999-00	\$2,071,291	\$68,380
1998-99	\$1,994,034	\$65,896
1997-98	\$1,664,326	\$76,934

The following projects and programs are Virginia's leveraging initiatives.

Security Deposit Option Plan

The Security Deposit Option Plan is a waiver of payment of security deposits. The Virginia Department of Social Services has agreements with Virginia Power, Virginia Natural Gas, American Electric, Washington Gas and the Town of Front Royal through the Crisis and Cooling Components to waive the payment for security deposits if the customer makes regular and timely payments for heating or cooling utility service for a one year period. The customer is responsible for paying the monthly bills timely. If service is disconnected within a 365 day time period, the utility will attempt to collect from the customer. If the customer fails to pay, the utility company will bill the Energy Assistance Program for the delinquent bill amount or deposit amount, whichever is less.

The following chart shows the number of households that received waivers so that security deposits would not have to be paid and the total amount the waivers represented for the past three fiscal years.

Federal Fiscal Year	1998-99	1999-00	2000-01
Waived Amounts	\$24,379	\$37,276	\$42,593
Number of Households	212	280	284

State Sales Tax Waiver

Another means of securing the best value for each available dollar is realized through the waiver of state sales tax. Sales to the Commonwealth of Virginia are normally exempt from state sales tax. The savings realized through this waiver increase the amount of funds available for benefits to eligible households. Federal fiscal year savings per household were \$11 in 1999, \$16 in 2000 and \$14 in 2001.

The following chart indicates the amount spent on Energy Assistance, the number of households that received assistance and the amount of money saved because taxes did not have to be paid for the past three fiscal years.

Federal Fiscal Year	1998-99	1999-00	2000-01
Expenditures	\$6,855,805	\$9,835,236	\$9,348,374
Number of Households	28,291	27,877	29,105
Waived Taxes	\$308,511	\$442,585	\$420,677

Neighbor-To-Neighbor Program

The Department of Social Services has a written agreement with American Electric Power Company to operate its Neighbor-to-Neighbor Program in their service area, which includes 33 localities in the state. The program is funded through American Electric Power customer donations and the company's dollar-for-dollar match up to \$37,500. American Electric Power customers experiencing difficulty in paying their winter electric bills may apply at the local department between January 1 and February 28 of each year while funds are available.

Applicants must be customers of American Electric Power Company and meet the Virginia Energy Assistance Program income and residency requirements. Applicants who use electricity must have exhausted any benefit for which they are eligible from the Fuel Assistance Component of the Virginia Energy Assistance Program. Assistance may be provided in conjunction with assistance from another energy assistance program.

Assistance provided to Neighbor to Neighbor recipients is reported as leveraged benefits. American Electric Power Company has partnered with the Department since 1981 in providing assistance to low income households. Income guidelines are the same for both programs.

The following chart indicates expenditures and the number of households that received assistance through the Neighbor-To-Neighbor Program for the past three fiscal years.

Federal Fiscal Year	1998-99	1999-00	2000-01
Expenditures	\$108,713	\$125,973	\$120,645
Number of Households	1,371	1,244	1,393

EnergyShare Program

The EnergyShare Program, established by Dominion Resources, Inc., provides funds to assist persons in paying their home heating costs. Contributions are solicited from EnergyShare Partners and customers, and company employees and stockholders. Dominion Resources provides a \$50,000 match for energy credits and up to \$70,000 for administration of EnergyShare.

EnergyShare is designed to supplement other energy assistance programs, not to replace them. Applicants must have exhausted any benefit for which they are eligible from the Virginia Energy Assistance Program prior to receiving assistance from EnergyShare. Recipients of EnergyShare also may receive assistance through other low-income energy assistance programs.

Applicants are not required to be a Dominion Resources customer. Eligible applicants must pay a portion of the heating bill and reside in one of the 67 counties or cities within the Dominion Resources service territory. Assistance is available from mid-December through May unless funds are depleted earlier. A network of social service agencies and human service organizations selected by the program administrators accepts applications.

Assistance provided to EnergyShare recipients is reported as leveraged benefits. EnergyShare partners with the Department of Social Services in providing assistance to low income households. Income guidelines are the same for both programs.

The following chart indicates expenditures and the number of households that received assistance through the EnergyShare Program for the past three fiscal years.

Federal Fiscal Year	1998-99	1999-00	2000-01
Expenditures	\$1,140,164	\$1,017,818	\$1,144,795
Households Served	6,439	5,504	6,699

Analysis on Effectiveness of Programs

The programs identified in this report serve approximately 119,143 low-income Virginia households. Virginia's programs provide assistance to eligible households with income up to 150 percent of poverty. According to the United States Department of Health and Human Services (see Appendix III), Virginia has approximately 451,269 households at or below the 150 percent of poverty level. The data provided indicates that 26.4 percent of needy households benefit from available assistance.

Energy is generally considered a basic necessity of life. In Virginia, home heating is provided with natural gas, electricity, oil, kerosene, wood, coal or liquid propane. These sources are quite expensive for lower income Virginians. The average family spends about 4.3 percent of the household budget on home energy. Low-income households spend a dramatically larger percentage of their income on energy. Data captured by the Virginia Energy Assistance Program reveals that 75 percent of the households receiving assistance in Virginia spend in excess of 50 percent of their income on home energy. This data suggests that we are serving households at the lower end of the poverty level.

Households served by the Virginia Energy Assistance Program fall within the following income ranges:

Annual Income	Households Served
Under \$ 2,000	5,046
\$2,000 - \$ 3,999	3,887
\$4,000 - \$ 5,999	5,056
\$6,000 - \$ 7,999	30,921
\$8,000 - \$ 9,999	13,470
\$10,000 - \$11,999	7,226
\$12,000 - \$14,999	9,525
\$15,000 and over	8,920

A Look at Residential Energy Consumption in 1997, released by the Energy Information Administration, presents the results of the tenth Residential Energy Consumption Survey, which, since 1978, has collected information on household energy consumption, energy expenditures, and energy-related household characteristics.

Highlights from the national survey include:

- The average household spent \$1,338 for energy in 1997. Total annual energy expenditures per household were highest in the Northeast (\$1,644) and lowest in the West (\$1,014).
- Electricity accounted for 35 percent of all the energy consumed in U.S. households in 1997 compared to 23 percent in 1978. Over the same period, fuel oil and kerosene, as a percentage of total energy consumption,

decreased from 21 percent in 1978 to 10 percent in 1997. The share of natural gas and propane remained unchanged.

- Space heating, which accounted for two-thirds of the total energy consumed in U.S. households in 1978, accounted for only half in 1997. At the same time the proportion of energy consumed to operate appliances, including lights, increased from 17 percent to 27 percent.
- Much of the increase in energy consumption for operating electrical appliances is due to their proliferation in the typical American household. Between 1978 and 1997, the percent of households using a microwave oven climbed from 8 to 83 percent; dishwashers went from 35 to 50 percent; and personal computers went from non-existent to 35 percent.

Virginia will continue to effectively deliver benefits to low-income households, which have the highest energy costs or needs, and to assist them with meeting their immediate home energy needs. The Department of Social Services will obtain additional information on the demographics of recipients for future reports to the Governor and General Assembly.

VIRGINIA ACTS OF ASSEMBLY -- 2001 SESSION

CHAPTER 676

An Act to amend the Code of Virginia by adding in Title 63.1 a chapter numbered 22, consisting of sections numbered 63.1-336 through 63.1-343, relating to home energy assistance; establishment of the Home Energy Assistance Fund.

[H 2473]

Approved March 25, 2001

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 63.1 a chapter numbered 22, consisting of sections numbered 63.1-336 through 63.1-343, as follows:

*CHAPTER 22.
HOME ENERGY ASSISTANCE PROGRAM.*

§ 63.1-336. Definitions.

As used in this chapter, unless the context requires otherwise:

"Department" means the Department of Social Services.

"Energy assistance program" includes fuel, crisis, cooling, or weatherization assistance.

"Fund" means the Home Energy Assistance Fund established pursuant to this chapter.

"Program" means the Home Energy Assistance Program established pursuant to this chapter.

§ 63.1-337. Policy of Commonwealth; Department of Social Services designated agency to coordinate state efforts.

The General Assembly declares that it is the policy of this Commonwealth to support the efforts of public agencies, private utility service providers, and charitable and community groups seeking to assist low-income Virginians in meeting their residential energy needs. To this end the Department of Social Services is designated as the state agency responsible for coordinating state efforts in this regard.

§ 63.1-338. Home Energy Assistance Fund.

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Home Energy Assistance Fund. Moneys in the Fund shall be used to:

- 1. Supplement the assistance provided through the Department's administration of the federal Low Income Home Energy Assistance Program Block Grant; and*
- 2. Assist the Commonwealth in maximizing the amount of federal funds available under the Low Income Home Energy Assistance Program and the Weatherization Assistance Program by providing funds to comply with fund matching requirements, and by means of leveraging in accordance with the rules set by the Virginia Home Energy Assistance Program.*

B. The Fund shall be established on the books of the Comptroller. The Fund shall consist of:

- 1. Donations and contributions to the Fund; and*
- 2. Such moneys as shall be appropriated by the General Assembly.*

C. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes set forth in this chapter. The State Treasurer shall make expenditures and disbursements from the Fund on warrants issued by the Comptroller upon written request signed by the Commissioner of Social Services. Up to twelve percent of the Fund may be used to pay the Department's administrative expenses.

§ 63.1-339. Home Energy Assistance Program established.

A. The Department shall establish and operate the Home Energy Assistance Program. In administering the Program, it shall be the responsibility of the Department to:

- 1. Administer distributions from the Fund; and*
- 2. Report annually to the Governor and General Assembly on or before October 1 of each year on the effectiveness of low-income energy assistance programs in meeting the needs of low-income Virginians.*

B. The Department is authorized to assume responsibility for administering all or any portion of any private, voluntary low-income energy assistance program upon the application of the administrator thereof, on such terms as the Department and such administrator shall agree and in accordance with applicable law and regulations. If the Department assumes administrative responsibility for administering such a voluntary program, it is authorized to receive funds collected through such voluntary program and distribute them through the Fund.

§ 63.1-340. *Responsibilities of local departments.*

Local departments of welfare or social services may, to the extent that funds are available, promote interagency cooperation at the local level by providing technical assistance, data collection and service delivery.

§ 63.1-341. *Authority to receive and grant funds.*

Subject to rules and regulations of the Board of Social Services and to the availability of state or private funds for low-income households in need of energy assistance, the Department of Social Services is authorized to:

- 1. Receive state and private funds for such services; and*
- 2. Disburse funds to state agencies, and vendors of energy services, to provide energy assistance programs for low-income households.*

§ 63.1-342. *Application of Administrative Process Act.*

Actions of the Department relating to the review, allocation and awarding of benefits and grants shall be exempt from the provisions of Article 3 (§ 9-6.14:10 et seq.) and Article 4 (§ 9-6.14:15 et seq.) of the Administrative Process Act (§ 9-6.14:1 et seq.).

§ 63.1-343. *Confidentiality of information.*

No employee or former employee of the Department shall divulge any information acquired by him in the performance of his duties with respect to the income or assistance eligibility of any individual or household obtained in the course of administering the Program, except in accordance with proper judicial order. The provisions of this section shall not apply to (i) acts performed or words spoken or published in the line of duty under law; (ii) inquiries and investigations to obtain information as to the implementation of this chapter by a duly constituted committee of the General Assembly, or when such inquiry or investigation is relevant to its study, provided that any such information shall be privileged; or (iii) the publication of statistics so classified as to prevent the identification of any individual or household. .

- 2. That the State Board of Social Services shall promulgate regulations to implement the provisions of this act within 280 days of its enactment.**
- 3. That an emergency exists and this act is in force from its passage.**

2001 ANNUAL FEDERAL POVERTY GUIDELINES*For All States (Except Alaska and Hawaii) and for the District of Columbia*

Size of family Unit	100 Percent of Poverty	110 Percent of Poverty*	150 Percent of Poverty
1	\$ 8,590	\$ 9,449	\$12,885
2	\$11,610	\$12,771	\$17,415
3	\$14,630	\$16,093	\$21,945
4	\$17,650	\$19,415	\$26,475
5	\$20,670	\$22,737	\$31,005
6	\$23,690	\$26,059	\$35,535
7	\$26,710	\$29,381	\$40,065
8	\$29,730	\$32,703	\$44,595

*Federal law requires that income criteria for use of Low Income Home Energy Assistance Program funds must be at least 110 percent of the federal poverty guidelines. Virginia uses 130 percent of poverty.

LIHEAP INCOME ELIGIBILITY ESTIMATES¹
FOR VIRGINIA
Federal Fiscal year (FFY) 1999

Estimates of Federal and State LIHEAP Eligible Household
 by Vulnerable Group, FFY 1999

Vulnerable Group	Number of LIHEAP Eligible Households (Federal Maximum Standard)²	Number of LIHEAP Eligible Households (State Maximum Standard)³
All	654,664	368,695
Elderly	285,507	152,895
Disabled	140,001	103,316
Young Child	114,875	60,975

Estimates of Federal and State LIHEAP Eligible Household
 by Poverty Level, FFY 1999

Vulnerable Group	Number of LIHEAP Eligible Households (Federal Maximum Standard)²	Number of LIHEAP Eligible Households (State Maximum Standard)³
All	654,664	368,695
<=100%	254,551	254,550
101% - 125%	100,540	100,540
126% - 150%	96,178	13,605

¹ An average of 1998, 1999, and 2000 March Current Population Survey data are used to create these estimates. Estimates are subject to sampling error.

² The greater of 60 percent of state median income or 150 percent of poverty using poverty guidelines published by HHS.

³ The state maximum standard was obtained from the LIHEAP Clearinghouse.

