

STATE OF VERMONT
AGENCY OF HUMAN SERVICES

DCF

Department for Children and Families

BULLETIN NO.: 09-28E

FROM: Joseph Patrissi, Deputy Commissioner
Economic Services Division

DATE: November 6, 2009

SUBJECT: Seasonal Fuel Assistance - Section 8 and Public
Housing Fuel Liability Benefits (Emergency Rule)

CHANGES ADOPTED EFFECTIVE 11/10/09

INSTRUCTIONS

- Maintain Manual - See instructions below.**
 Proposed Regulation - Retain bulletin and attachments until you receive Manual Maintenance Bulletin: _____
 Information or Instructions - Retain until _____

MANUAL REFERENCE(S):

2940	2942
2941	2943

The Department is implementing an emergency rule because under current Fuel Assistance Program rules, an estimated 1,500 low-income households will be denied Seasonal Fuel Assistance fuel liability benefits. Loss of benefits may place those families and individuals at health risk due to lack of heat; safety risk with use of improper heat sources; economic risk through use of more costly electric space heaters; and potential loss of affordable housing for violating the terms of Section 8 and public housing leases.

The emergency rule will grant a reduced seasonal fuel assistance benefit of 55 percent to all income and resource eligible households who pay for their heat and participate in Section 8 or public housing programs and their rent is based on their income or their Section 8 pays for their mortgage. The emergency rule eliminates the use of Section 8 / public housing "utility allowance tables" in determining a household's eligibility for benefits and reducing their annual heating cost for determination of the benefit amount. Eligible households will receive a benefit equal to 55 percent of the amount they would have received had they not been participating in Section 8 or public housing programs.

The rule implements changes to the Seasonal Fuel Assistance program. The changes would provide benefits to an estimated 2,350 households participating in Section 8 or public housing and who must pay for heat themselves (“fuel liability”). The emergency rule will provide reduced benefits of 55 percent to all of those households. Without the emergency rule an estimated 1,260 households would be denied benefits and the remaining households would receive an average 54 percent reduced benefit. The emergency rule would cover benefits issued from the rule’s effective date to early-March 2010 (not to exceed 120 days allowed by statute).

Comment Period

A public hearing is scheduled on Monday, November 16, 2009 at 1:00 p.m., in the DCF Commissioner’s Conference Room, 5 North, State Office Complex, Waterbury, Vermont.

Written comments may be submitted no later than 4:30 p.m., on November 19, 2009, to Richard Moffi, Fuel Program Chief, Economic Services Division, DCF; 103 South Main Street, Waterbury, VT 05671-1201 Fax: (802) 241-2235.

To get more information about the Administrative Procedures Act and the rules applicable to state rulemaking go to the website of the Office of the Vermont Secretary of State at: <http://vermont-archives.org/aparules/> or call Louise Corliss at 828-2863

For information on upcoming hearings before the Legislative Committee on Administrative Rules go to the website of the Vermont Legislature at: <http://www.leg.state.vt.us/schedule/schedule2.cfm> or call 828-5760.

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Vertical lines in the left margin indicate significant changes. Dotted lines at the left indicate changes to clarify, rearrange, correct references, etc., without changing content.

Fuel Rules Last Updated

2940	(11/10/09, 09-28E)
2941	(11/10/09, 09-28E)
2942	(11/10/09, 09-28E)
2943	(11/10/09, 09-28E)

Fuel Rules

2940 Benefit Levels

Benefit levels to households are determined as follows:

- a. For eligible households that make payments for their home heat directly to a fuel supplier certified by the Fuel Program, benefits are determined under sections 2906.1 to and including 2906.4.
- b. For eligible households that make undesignated payments for their home heat in the form of rent, and that do not participate in a public, or Section 8 housing program, where their rent is based on their income or where their Section 8 pays for their mortgage, an annual benefit in an amount equal to 30 percent of the annual benefit the household would have received if the household were purchasing energy for home heating fuel directly, or \$50.00, whichever amount is greater.
- c. For eligible households that make undesignated payments for their home heat in the form of rent and that participate in a public, subsidized, or Section 8 housing program, where their rent is based on their income or where their Section 8 pays for their mortgage, an annual benefit in the amount of \$5.00.
- d. For eligible roomer (or roomer/boarder) households that are residents of a living unit and that pay reasonable compensation in the form of room rent and who are not members of another fuel household, an annual benefit in the amount of \$50.00

The benefit level for which a Fuel Program household is eligible is dependent on the size of the household, its income, the annual primary heating fuel cost, the level of program funds available, and the number of households eligible for a benefit.

All net benefit computations shall have cents dropped down to the next whole dollar.

Benefit amounts for eligible households are established by applying a heating cost percentage table, based on household size and income, to the household's annual primary heating fuel cost, and limiting payments to a maximum benefit amount. In no instance shall the percentage of a household's benefit exceed 90 percent of that household's fuel cost.

Benefit amounts are determined according to the following steps:

- a. Income eligibility of the applicant household is determined according to rules in 2904. If the income of the household exceeds the maximum allowable income for its size, the household is ineligible.
- b. An annual primary heating fuel cost is determined for eligible households based on standard heating cost tables (referred to as "proxy tables") identified in sub-section 2906.4 below.
- c. The net annual heating fuel cost is compared to a table of minimum heating fuel costs. If the household's fuel costs for its primary heating source are equal to or less than the minimum fuel cost set forth in this table, the household will be ineligible for Fuel Program benefits.
- d. Based on the household's size and income, a heating cost percentage is applied to its net annual primary heating fuel cost to determine what portion of that household's fuel costs can be authorized for payment as Fuel Program benefits.

For households that participate in a public or Section 8 housing program the portion authorized for payment as Fuel Program benefits above is reduced to 55 percent."

- e. The amount resulting from (d.) above is compared to a table of maximum benefit amounts. If the amount from (d.) is greater than the allowable amount specified in the table, then the household's benefit is reduced to the maximum allowable amount.
- f. The benefit amount from (e.) above is reduced by a periodically adjusted payment rate, found in the Fuel Program section of the welfare procedures manual. This payment rate is based on the number of eligible households, their household incomes and annual primary heating fuel costs, and the amount of funds available for the Fuel Program.

If total program funds are not known at the time that the first line of credit for the heating season is issued, adjustments to payment rates for subsequent issuances may be necessary. If adjustments are necessary, payment rates will be set separately by procedure for each line of credit issuance.
- g. In addition to the above, the following policy applies to applications based on the date of receipt.
 - i. Households whose applications were received from July 15 through November 30, and who are found eligible, will receive one hundred percent of a season's benefit.
 - ii. Households whose applications were received from December 1 through 31, and who are found eligible, will receive eighty percent of a season's benefit.

- iii. Households whose applications were received from January 1 through 31, and who are found eligible, will receive sixty percent of a season's benefit.
 - iv. Households whose applications were received from February 1 through the last day of February, and who are found eligible, will receive forty percent of a season's benefit.
 - v. Households whose applications were received from March 1 through July 14 will not receive assistance.
- h. If a household makes undesignated payments for their home heat in the form of rent and does not participate in a public, or Section 8 housing program, where their rent is based on their income or where their Section 8 pays for their mortgage, the benefit amount is equal to 30 percent of the amount calculated by the payment rate in (f.) and the percentage rates in (g.), or \$50.00, whichever amount is greater.

2942 Fuel Program Tables

The following tables are adopted for the purposes of determining benefit amounts for eligible Fuel Program applicants:

Table I	Table II	Table III	Table IV
Household Income as a Percentage of Poverty Guideline	Minimum Heating Fuel Costs	Heating Cost Percentage	Maximum Benefit Amount
115% - 125%	\$266	66%	\$1165
105% - 114%	243	69%	1215
95% - 104%	219	72%	1265
85% - 94%	196	75%	1315
75% - 84%	172	78%	1365
65% - 74%	149	81%	1415
55% - 64%	125	84%	1465
45% - 54%	125	87%	1515
Under 45%	125	90%	1565

2943 Primary Heating Fuel Costs

The annual primary heating fuel cost is based on the following standard heating cost tables (referred to as “proxy tables”). The tables were derived from the actual home heating consumption of fuel assistance recipients and developed in consultation with experts in the home energy field. The tables provide only the cost of fuel or energy for home heat. The tables are revised no less frequently than every three years based on data supplied by certified fuel suppliers to the Office of Home Heating Fuel Assistance.