

# **Department of Energy**

Washington, DC 20585

# WEATHERIZATION PROGRAM NOTICE 25-3 ISSUED DATE: April 8, 2025

# SUBJECT: 2025 FEDERAL POVERTY GUIDELINES AND DEFINITION OF INCOME

**APPLICABLE TO:** Weatherization Assistance Program (WAP) Annual Formula Grants, WAP Infrastructure Investment and Jobs Act (IIJA) Grants, Enhancement and Innovation (E&I) Grants

**INTENDED AUDIENCE:** Weatherization Grantee Program Managers, Weatherization Subgrantee Program Managers

**PURPOSE:** To provide Grantees with the 2025 Federal Poverty Guidelines and Definition of Income for use in WAP.

SUPERSEDES: Weatherization Program Notice (WPN) 25-3 supersedes WPN 24-3

**SCOPE:** The provisions of this WPN apply to all WAP Grantees receiving financial assistance under the Department of Energy's (DOE) WAP.

**LEGAL AUTHORITY:** Title IV, Energy Conservation and Production Act, as amended, authorizes DOE to administer the WAP. All grant awards made under this Program shall comply with all applicable laws and regulations including, but not limited to, the WAP Regulations contained in Code of Federal Regulations (CFR) <u>10 CFR Part 440</u> and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at <u>2 CFR 200</u>.

**PROCEDURES:** The U.S. Department of Health and Human Services (HHS) revises poverty income guidelines annually; then publishes them in the Federal Register. The guidelines are accessible on the <u>HHS website</u>.

The attached table displays the 2025 guidelines showing income eligibility limits at 200 percent of the poverty guidelines (See Section 412(7) of the Energy Conservation and Production Act (42 U.S.C. 6862(7))). Adjusted tables for Alaska and Hawaii are also included. The guidelines are effective as of January 17, 2025, and apply to both farm and non-farm families. American Samoa, Guam, Northern Marianas, Puerto Rico and U.S. Virgin Islands must select the appropriate set of poverty guidelines and include them in their Grantee Plans for review and approval by DOE prior to use.

Grantees shall distribute these tables immediately to their Subgrantees for use in the Program from the effective date of this guidance until updated in subsequent policy documents.

Additionally, this WPN provides Grantees with a definition of income for use in WAP. This guidance continues to reaffirm previous guidance by outlining expectations of source documentation for review when requested by an outside authority.

**DETERMINING ELIGIBILITY LEVELS:** As defined in <u>10 CFR 440.3</u>, Low-income means that income in relation to family size which:

- (1) Is at or below 200 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget (OMB), except that the Secretary may establish a higher level if the Secretary, after consulting with the Secretary of the United States Department of Agriculture (USDA) and the Secretary of Health and Human Services, determines that such a higher level is necessary to carry out the purposes of this part and is consistent with the eligibility criteria established for the Weatherization Program under Section 222(a)(12) of the Economic Opportunity Act of 1964;
- (2) Is the basis on which cash assistance payments have been paid during the preceding twelve-month period under Titles IV and XVI of the Social Security Act or applicable State or local law; or
- (3) If a Grantee elects, is the basis for eligibility for assistance under the Low-Income Home Energy Assistance Act of 1981, provided that such basis is at least 200 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget.

**ELIGIBILITY FOR WAP BENEFITS:** Grantees are directed to review guidance provided by HHS under the Low-Income Home Energy Assistance Program (LIHEAP) at <u>Summary of</u> <u>Immigrant Eligibility Restrictions Under Current Law | ASPE (hhs.gov)</u> for information on providing WAP benefits to eligible populations.

Grantees are also directed to review the <u>LIHEAP IM HHS Guidance on the Use of Social Security</u> <u>Numbers (SSNs) and Citizenship Status Verification</u> and <u>LIHEAP IM 2023-03 Assistance for</u> Eligible Household Members Residing with Ineligible Household Members.

**ELIGIBLE RENTAL WEATHERIZATION:** A building containing rental dwelling units may be weatherized with written permission from the owner or their authorized agent and minimum occupancy eligibility requirements are met per <u>10 CFR 440.22(b)</u>.

**WEATHERIZING HUD PROPERTIES:** WPN 22-5, Expansion of Client Eligibility in the Weatherization Assistance Program extends categorical income eligibility to HUD means-tested

programs. WAP Grantees and Subgrantees may certify that applicants have met the income requirements of HUD means-tested programs through such mechanisms as:

- Applicant documentation.
- Interagency lists of recipients.
- Shared system databases.

The method of verification of eligibility must be included in the client file. See Attachment Section D. Proof of Eligibility and WPN <u>22-5</u> for more details.

**WEATHERIZING USDA PROPERTIES:** <u>WPN 25-4</u>, <u>Expansion of Client Eligibility to Select</u> <u>U.S. Department of Agriculture (USDA) Programs</u> extends client eligibility to select USDA meanstested programs at 80% Area Median Income (AMI) or below and provides an updated USDA eligible buildings list to be used to identify eligible multifamily buildings. WAP Grantees and Subgrantees may certify that applicants have met the income requirements of USDA means-tested programs through such mechanisms as:

- Applicant documentation.
- Interagency lists of recipients.
- Shared system databases.

The method of verification of eligibility must be included in the client file. See Attachment Section D. Proof of Eligibility and <u>WPN 25-4</u> for more details.

**CONCLUSION:** Income eligibility plays a critical role in WAP to serve low-income individuals and families across America. Grantees can create flexibility, and expand access in this process, by adopting categorical eligibility of other federal programs listed in this guidance when submitting PY 2025 Grantee Plans. WAP Project Officers are available to assist Grantees in determining the best income eligibility options for their state/territory. Grantees may also reach out for technical assistance through wapta@hq.doe.gov.



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David Gipson WAP Deputy Director Office of State and Community Energy Programs

Attachment Definition of Income

## **DEFINITION OF INCOME**

A. INCOME: Income means Cash Receipts earned and/or received by the applicant before taxes during applicable tax year(s) <u>but not</u> the Income Exclusions listed below in <u>Section C</u>. Gross Income is to be used, not Net Income.

#### **B.** CASH RECEIPTS: Cash Receipts include the following:

- 1. Money, wages and salaries before any deductions.
- 2. Net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses).
- 3. Regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, worker's compensation, veteran's payments, training stipends, alimony, and military family allotments.
- 4. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments.
- 5. Dividends and/or interest.
- 6. Net rental income and net royalties.
- 7. Periodic receipts from estates or trusts.
- 8. Net gambling or lottery winnings.
- **C. INCOME EXCLUSIONS**: The following Cash Receipts <u>are not</u> considered sources of Income for the purposes of determining applicant eligibility:
  - 1. Capital gains.
  - 2. Any assets drawn down as withdrawals from a bank.
  - 3. Money received from the sale of a property, house, or car.
  - 4. One-time payments from a welfare agency to a family or person who is in temporary financial difficulty.
  - 5. Tax refunds.
  - 6. Gifts, loans, or lump-sum inheritances.
  - 7. College scholarships.
  - 8. One-time insurance payments, or compensation for injury.
  - 9. Non-cash benefits, such as the employer-paid or union-paid portion of health insurance.
  - 10. Employee fringe benefits, food or housing received in lieu of wages.
  - 11. The value of food and fuel produced and consumed on farms.
  - 12. The imputed value of rent from owner-occupied non-farm or farm housing.
  - 13. Depreciation for farm or business assets.
  - 14. Federal non-cash benefit programs such as Medicare, Medicaid, Food Stamps, school lunches, and housing assistance.
  - 15. Combat zone pay to the military.
  - 16. Child support, as defined below in Section E.
  - 17. Reverse mortgages.
  - 18. Payments for care of Foster Children.

- **D. PROOF OF ELIGIBILITY**: Grantees and Subgrantees are reminded that proof of income eligibility must be clearly identified in the client file.
  - 1. Availability of Supporting Documentation: For purposes of review and audit, each client file must contain an application from the client that contains the required demographics and income for the entire family living in the residence. Do not count, or enter, earned income or unemployment compensation for minors under the age of 18 (or full-time high school students) at the time of the application. The client file must also contain evidence provided by the Subgrantee that the client is eligible to receive Weatherization Assistance Program (WAP) services. This evidence may include, but is not limited to, a memorandum from a third-party certification office stipulating the income levels of the family or source documentation for each income source listed on the application. These documents can be stored electronically or retained in hard copy for each client.
  - 2. Eligibility Determined by Outside Agency/Program: If income eligibility is determined by an outside agency or program, i.e. Low-Income Home Energy Assistance Program (LIHEAP), the U.S. Department of Housing and Urban Development (HUD), or the U.S. Department of Agriculture (USDA) any document used to determine eligibility, such as a copy of LIHEAP, HUD or USDA eligibility will suffice as evidence of client eligibility. This document and any related documents must be retained in the client file.
  - 3. **Self-Certification**: After all other avenues of documenting income eligibility are exhausted, self-certification is allowable. However, evidence of the various attempts at proving eligibility must be contained in the client file, **including** a notarized statement signed by the potential applicant indicating that the applicant has no other proof of income.
- **E. CHILD SUPPORT**: Child Support payments, whether received by the Payee or paid by the Payor, **are not** considered Sources of Income to be added to the payee income or deducted from the payor income for the purposes of determining applicant eligibility.
  - 1. **Payee:** Where an applicant receives Child Support from any state program or individual during an applicable tax year, such assistance **is not** considered income for the purposes of determining eligibility (i.e., where an applicant receives Child Support, he or she **does not** add that amount to his or her calculation of income for purposes of determining eligibility).
  - 2. **Payor:** Where an applicant pays Child Support through a state program and/or to an individual, such assistance **is not** considered a deduction to Income for the purposes of determining eligibility (i.e., where an applicant pays Child Support, he or she **may not** deduct said assistance from his or her calculation of Income for the purposes of determining eligibility).
- **F. ANNUALIZATION OF INCOME**: Where an applicant only provides income verification for a portion of the applicable tax year, their partial income may be annualized to determine eligibility.

*Example*: Applicant A only provides income verification for January, February and March. The method of annualizing income to determine eligibility could be to multiply the verified income by four to determine the amount of income received during the year.

The method of calculating annualized income is to be determined by the Grantee and must be applied uniformly by all Subgrantees.

**G. RE-CERTIFICATION**: An applicant must be re-certified when eligibility lapses due to the length of time the applicant was waiting to receive Weatherization services. As a reminder, re-certification of eligibility must occur within 12 months of service. The Grantee must outline the method of determining re-certification in their Annual Plan for approval by DOE.

## 2025 POVERTY INCOME GUIDELINES CONTIGUOUS STATES U.S. GRANTEES EFFECTIVE January 17, 2025

Size of Family Unit	Threshold	200%
1	\$15,650	\$31,300
2	\$21,150	\$42,300
3	\$26,650	\$53,300
4	\$32,150	\$64,300
5	\$37,650	\$75,300
6	\$43,150	\$86,300
7	\$48,650	\$97,300
8	\$54,150	\$108,300

#### **INCOME LEVELS**

For families with more than 8 persons, 100% of poverty level increases \$5,500 for each additional person. Therefore, for weatherization at 200% of poverty level, add \$11,000 for each additional person. Expanded tables provided by HHS showing up to a family of 14 can be found <u>here</u>.

Size of Family Unit	Threshold	200%
1	\$19,550	\$39,100
2	\$26,430	\$52,860
3	\$33,310	\$66,620
4	\$40,190	\$80,380
5	\$47,070	\$94,140
6	\$53,950	\$107,900
7	\$60,830	\$121,660
8	\$67,710	\$135,420

#### 2025 POVERTY GUIDELINES FOR ALASKA

For families with more than 8 persons, 100% of poverty level increases \$6,880 for each additional person. Therefore, for weatherization at 200% of poverty level, add \$13,760 for each additional person. Expanded tables provided by HHS showing up to a family of 14 can be found <u>here</u>.

Size of Family Unit	Threshold	200%
1	\$17,990	\$35,980
2	\$24,320	\$48,640
3	\$30,650	\$61,300
4	\$36,980	\$73,960
5	\$43,310	\$86,620
6	\$49,640	\$99,280
7	\$55,970	\$111,940
8	\$62,300	\$124,600

## 2025 POVERTY GUIDELINES FOR HAWAII

For families with more than 8 persons, 100% of poverty level increases \$6,330 for each additional person. Therefore, for weatherization at 200% of poverty level, add \$12,660 for each additional person. Expanded tables provided by HHS showing up to a family of 14 can be found <u>here</u>.

Separate poverty guideline figures for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966–1970 period. (Note that the Census Bureau poverty thresholds—the version of the poverty measure used for statistical purposes— have never had separate figures for Alaska and Hawaii.) The poverty guidelines are not defined for Puerto Rico or other outlying jurisdictions; therefore, the U.S. Territories, must indicate in their Annual Plan which poverty guideline will be followed in their service territory.