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Loans for Payment of Home Heating Fuel Bills

Sec. 16a-42g-1. Purpose

To implement Public Act 79-13 of the October Special Session, as amended by Public Act 80-388, An Act concerning loans for payment of home heating fuel bills. (Effective January 22, 1981)

Sec. 16a-42g-2. Definitions

Whenever used in Sections -1 to -10, inclusive, of these regulations:

(a) "Administrative Agent" means the person in each town designated by the chief executive officer of the town to administer the loan program established in Public Act 79-13 of the October Special Session as amended by Public Act 80-388.

(b) "Loan Program" means those loans provided by funds allocated pursuant to Public Act 79-13 of the October Special Session as amended by Public Act 80-388.

(c) "Secretary" means the secretary of the office of policy and management. (Effective January 22, 1981)

Sec. 16a-42g-3. Requests by town for funds

(a) Each town participating in the fuel loan program shall make a request for such town's share of funds to the secretary of the office of policy and management on or before January thirty-first of the calendar year in which the loan program is to be operated.

(b) In making the initial request for funds pursuant to Public Act 79-13 of the October Special Session as amended by Public Act 80-388, the chief executive officer of the applicant town shall indicate who has been designated as the town administrative agent for the loan program, and whether or not such administrative agent is bonded. The designated administrative agent shall have responsibility for the receipt and processing of loan applications, payments to vendors of approved loans and the receipt of installment repayments on approved loans.

(c) Upon receipt of funds under Public Act 79-13 of the October Special Session as amended by Public Act 80-388, the town shall provide notice to its residents of the availability of such loan fund. The notice shall be made in a newspaper of general circulation in such town, and shall contain a description of the program, eligibility criteria and information on how and where to make application for a loan.

(d) The unallocated balance in the loan program fund after January thirty-first shall be made available, in the discretion of the secretary, to those towns participating in the loan program on the basis of demonstrated need. In considering a request for supplemental funds, the secretary may consider the following: applicant town as compared to the total estimated additional need among all requests for supplemental funds.

(2) The total amount of unallocated funds.

(3) The availability of other sources of aid in the applicant town.

(Effective January 22, 1981)

Sec. 16a-42g-4. Standard forms

The office of policy and management shall provide application forms to each town participating in the loan program. All loan agreements shall comply with all applicable truth-in-lending provisions.

(Effective January 22, 1981)

Sec. 16a-42g-5. Criteria for determination and verification of eligibility

(a) The applicant household’s gross income shall be between 125% and 300% of the federal poverty level. Each applicant shall attest on the application form that such applicant has:

(1) Received the notification of termination of fuel delivery or been refused delivery due to inability to pay.

(2) Where feasible, been refused delivery from one other fuel dealer. For purposes of this subdivision, the feasibility of requiring an applicant to attest to the refusal of another fuel dealer to make a delivery shall be determined by the town administrator. Examples of where the town administrator may determine this subdivision infeasible may include but not be limited to; there is only one dealer of that fuel in the local service area, or a crisis situation exists and the delay brought about by meeting this requirement would exacerbate that crisis.

(b) In order to verify the information provided on the application form, the administrative agent may:

(1) Require submission of an applicant’s tax return from the last taxable year.

(2) Require submission of a notification of termination statement from such applicant’s fuel dealer.

(3) Require submission of an applicant’s unpaid fuel bills.

(4) Request written or oral verification from fuel dealer who has terminated service or refused delivery of fuel.

(Effective January 22, 1981)

Sec. 16a 42g-6. Loan acceptances

(a) In considering an application for and the amount of a loan under Public Act 79-13 as amended by Public Act 80-388, the administrative agent shall give priority to applicant households with the lowest incomes. This priority shall be given at the time the decision of the administrative agent on the loan is made based upon the applications to be acted on at that time.

(b) Households between 125% and 200% of the federal poverty level shall be eligible for loans in amounts of \$180 to \$360 depending upon the income and fuel requirements of the household. In making a determination, the administrative agent may consider the following guidelines:

		125% of Poverty	175% of Poverty	200% of Poverty
Family Size	1	\$4,737 = \$300	\$ 6,632 = \$240	\$ 7,580 = \$180
	2	6,262 = 300	8,767 = 240	10,020 = 180
	3	7,787 = 360	10,902 = 300	12,460 = 240
	4	9,312 = 360	13,037 = 300	14,900 = 240

Town administrative agents should note that the figures indicated above represent the latest Community Services Administration income levels as found in the April 21, 1980 Federal Register. The administrative agent may make an independent determination based upon demonstrated need of the applicant household as long as the administrative agent is in compliance with the inverse proportional loan concept.

(c) Households between 200% and 300% of the federal poverty level may receive a loan in an amount not to exceed \$180. The administrative agent shall determine such amount based on demonstrated need.

(Effective January 22, 1981)

Sec. 16a-42g-7. Review of loan denial

(a) The administrative agent may, in his discretion, allow an applicant who has been denied a loan to submit additional evidence in support of the loan application.

(b) Denial of a loan application shall not preclude an applicant from filing another loan application in the event circumstances occur that make such applicant eligible for a loan.

(Effective January 22, 1981)

Sec. 16a-92g-8. Bi-monthly reports

Each town participating in the loan program shall be required to file reports on a bi-monthly basis with the office of policy and management on forms prescribed by the secretary. Such reports shall be used to maintain records on the number of applications taken, the number of loans approved and denied, the average amount of loans, total dollars loaned, the number of loans paid in part or in full, the number of defaults on loans and the total amount in default, the total administrative costs, and the amount repaid to the state.

(Effective January 22, 1981)

Sec. 16a-42g-9. Administrative costs. Repayment to the state

(a) A town participating in the loan program may expend from the funds allocated to such town in any one year, an amount not in excess of 10% of such allocation. Administrative costs shall include only those expenses necessary for the support of or benefit to the loan program.

(b) Each town shall repay to the state the unexpended balance in such town's loan fund plus the principle and interest collected from loans made no later than the November first next succeeding the receipt of such loan. Each town shall thereafter make reasonable efforts to collect outstanding balances on loans made, and shall repay all amounts collected to the state. No town shall be required to repay to the state any interest earned on any unallocated portion of the loan fund, or any interest earned on any money repaid to the fund prior to the date the money is to be paid to the state.

(Effective January 22, 1981)

Sec. 16a-42g-10. Auditing procedures

The separate loan fund account required of each participating town shall be subject to the audit provisions of chapter 111 of the General Statutes entitled the Municipal Auditing Act.

(Effective January 22, 1981)