



Community Services Block Grant Guide to Client Eligibility

CAPLAW
Community Action Program Legal Services, Inc.

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I. Introduction

The federal Community Services Block Grant (CSBG) funds local Community Action Agencies (CAAs) to carry out a variety of activities designed to reduce poverty, revitalize low-income communities, and empower low-income families and individuals to become self-sufficient. The following Q&A is intended to assist state CSBG lead agencies and CAAs in better understanding certain aspects of determining client eligibility for CSBG services or benefits provided by CAAs. For specific analysis on facilitating income verification during a disaster or emergency, you can also review CAPLAW's [CSBG Income Eligibility In an Emergency: Lessons From the COVID-19 Pandemic](#) resource.

This resource is intended to provide practical guidance based on relevant laws but is not authorized or approved by the federal Office of Community Services (OCS), the office within the U.S. Department of Health and Human Services (HHS) that administers the block grant, and does not constitute legal advice. Relevant sections of laws referenced in this guidance are located at the end of this document.

II. Income Eligibility

1. Is there an income eligibility requirement for CSBG clients?

Under the current federal CSBG Act, [42 U.S.C. § 9901 et seq.](#), to be eligible for CSBG services, clients must be at or below 100% of the federal poverty line as determined by the federal Office of Management and Budget (OMB) based on the most recent federal Census data and as revised annually (or more frequently) by HHS. However, the Act permits a state to set income eligibility for CSBG services at 125% of the federal poverty line, whenever it determines that doing so serves the objectives of the CSBG program.

Eligible entities should use the most current HHS poverty guidelines when assessing income eligibility. The current guidelines are published in the Federal Register and are available on the HHS website www.hhs.gov. The guidelines are calculated on a sliding scale based on the number of persons in a client's family. To calculate 125% of the federal poverty line, use the amount stated in the poverty guidelines relating to the number of persons in the client's household and multiply that number by 1.25.

At times, Congress has appropriated supplemental CSBG funding with different income eligibility criteria. A recent example is the historic [Coronavirus Aid, Relief, and Economic Security Act](#) (the CARES Act) under which Congress appropriated \$1 billion in supplemental CSBG funding that could be used to serve individuals and families with annual incomes of up to 200% of the federal poverty line. It also provided states with the authority to raise the income eligibility limit for regular FY20 and FY21 CSBG funds to 200% of the federal poverty line. This authority was reinforced by OCS in [Information Memorandum 157, Immediate Guidance on COVID-19 Response](#).

2. May an eligible entity choose to use a lower eligibility level?

An eligible entity may, consistent with its most recent community needs assessment, give priority in providing CSBG services to clients of lower income levels within the CSBG income eligibility limit.

3. Are eligible entities required to follow specific procedures in determining CSBG income eligibility?

Neither the federal CSBG Act nor OCS requires a particular process for determining client income eligibility. If the state also chooses not specify a process, an eligible entity should adopt its own written procedures for determining eligibility, since some screening is necessary to ensure that CSBG funds are being used for income-eligible clients. An income eligibility procedure may include definitions of the sources of income, household size, and the time frame used to establish eligibility, as well as the documentation and verification procedures required to support the income determination. This procedure may also, based on the eligible entity's community needs assessment, give priority to certain client populations within the applicable income limit, such as people with disabilities, those who are experiencing homelessness, the elderly, people who are unemployed, and/or people with children under eighteen.

4. What issues should state and/or eligible entities consider in designing CSBG income eligibility determination procedures?

A. What is the definition of "family"?

Neither the HHS poverty guidelines, the federal CSBG Act, nor applicable HHS regulations define the term "family." The following are two examples of how the term family might be defined. Other reasonable definitions are also acceptable.

Example 1: The income of all members of each family unit must be included in determining the income eligibility. A family unit may be either: (1) related individuals; or (2) an unrelated individual. The term "related individuals" means two or more persons related by birth, marriage, and/or adoption who reside together. The term "unrelated individual" means an individual who is not an inmate of an institution: (1) who resides alone or (2) who resides with one or more persons who are not related to him/her by birth, marriage, and/or adoption. (Examples of unrelated individuals residing with others include a lodger, a foster child, a ward, or an employee.) If a household includes more than one family unit, the poverty guidelines shall be applied separately to each family unit, and not to the household as a whole.

Example 2: For purposes of determining income eligibility, the term "persons in family" in the HHS poverty guidelines means persons in a household. A household includes any individual or group of individuals who are living together as one economic unit. The income of each individual in the household who is 18 years old or older must be included in determining income eligibility. In determining whether an individual is part of a household, the eligible entity may consider factors such as whether the individual pays for his/her own food and occupancy.

B. What counts as income?

Neither the HHS poverty guidelines, nor the federal CSBG Act, nor applicable HHS regulations define the term "income." In devising an income definition, a state or eligible entity may consider the income definitions for other anti-poverty programs, which come from authorizing statutes, regulations, or funding source guidance. For reference, CAPLAW has compiled the income definitions for programs commonly administered by CAAs and citations to income-related guidance for other major social welfare programs in Appendix 2. The following is one example of how the term "income" might be defined. Other reasonable definitions are also acceptable.

Example: Income includes total annual cash receipts before taxes from all sources, with the exceptions noted below. Specifically, income includes:

- Wages and salaries before any deductions;
- Net receipts from nonfarm self-employment (receipts from a person's own unincorporated business, professional enterprise, or partnership, after deductions for business expenses);
- Net receipts from farm self-employment (receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses);
- Regular payments from Social Security, railroad retirement, unemployment compensation, strike benefits from union funds, workers' compensation, veterans' payments, public assistance (including Temporary Assistance for Needy Families, Supplemental Security Income, and non-federal General Assistance or General Relief money payments), and training stipends;
- Alimony and military family allotments or other regular support from an absent family member or someone not living in the household;
- Private pensions, government employee pensions (including military retirement pay) and regular insurance or annuity payments;
- College or university scholarships, grants, fellowships, and assistantships, to the extent used for living expenses rather than tuition or program expenses¹;
- Dividends, interest, net rental income, net royalties;
- Periodic receipts from estates or trusts; and
- Net gambling or lottery winnings.

Income does not include:

- Tax refunds or tax credits;
- Assets drawn down as withdrawals from a bank or the sale of property (such as a house or a car);
- Capital gains;
- Gifts, loans, lump-sum inheritances, one-time insurance payments or compensation for injury;
- Employer-paid or union-paid portion of health insurance or other employee fringe benefits;
- Food or housing received in lieu of wages;
- Federal or state non-cash benefit programs such as Medicare, Medicaid, food stamps, school lunches, and housing assistance;
- Child support payments²;
- One-time or time-limited payments made in connection with emergency, disaster relief, or other similar programs; or
- Payments required under federal or state law to be excluded from the definition of income for calculating eligibility for federal or state public benefit programs, such as cost reimbursements under the federal Foster Grandparent program (see [45 C.F.R. § 2552.47](#)).

¹ This distinction is from the regulations governing income calculation for Medicaid, which specifically exclude scholarships, awards, or fellowship grants used for education purposes and not for living expenses. [42 CFR § 435.603\(e\)\(2\)](#).

² Some programs treat child support payments similarly to alimony and include them as part of an applicant's income. Others, like the U.S. Department of Energy's Weatherization Assistance Program, separate the two, counting alimony towards an applicant's income but excluding child support payments. This approach is consistent with the principle that income should only include regular cash payments made for the benefit of household members over the age of 18 that would otherwise be able to work.

C. What period should be used in determining income?

Neither the federal CSBG Act, nor HHS poverty guidelines, nor OCS guidance specify the time period to be used when calculating a client's income. CAAs may consider implementing procedures that take into account recent events or circumstances that led to an individual or household becoming low-income and adjust the time frame for reviewing such applicant's income.

The following are some examples of periods that could be used in determining a client's income. Other reasonable periods are also acceptable.

Example 1: The period for determining the annual income must not be more than 12 months nor less than 90 days preceding the request for assistance.

Example 2: Total monthly or annualized gross household income should be used to determine eligibility. The monthly income should be calculated for the 30-day period preceding and including the date of application.

Example 3: There is no prescribed look-back period for income assessment. Depending on an individual client's circumstances and the documentation available, it may be reasonable to calculate client income based upon the household's gross income in the past 30 days (multiplied by 12) or based upon a review of the past year. For example, if a client has become unemployed or was the victim of domestic violence and has left the abusive household within the past year, it may be inaccurate to use the data of the past year to assess income, and the use of a shorter period—perhaps several months—may be a more appropriate and accurate assessment of the client's income. In addition, case-by-case circumstances such as seasonal employment or an isolated and temporary spike or decline in earnings may require an eligible entity to exercise reasonable discretion to determine on a case-by-case basis the most appropriate time period to review to most appropriately and accurately assess income. It is recommended that no time period shorter than the past 30 days or longer than the past year should be used, however. In exercising this reasonable discretion, the eligible entity's goal in each case should be to most accurately determine a client's actual financial position at the time of assessment.

D. How often should client income be re-determined?

Neither the CSBG Act, nor applicable HHS regulations, nor OCS guidance specify how often a client's income should be redetermined. The following is one example of a possible re-determination policy.

Example: After initial determination, the income level of a client receiving ongoing services should be redetermined at least annually and should be reviewed any time the eligible entity becomes aware of a significant income changing event or circumstance. An eligible entity retains the right to review a client's income level at any time while the client is receiving CSBG-funded services for the purpose of determining continued program eligibility.

E. What types of income documentation should be reviewed?

Neither the CSBG Act, nor applicable HHS regulations, nor OCS guidance specify the type of income documentation that eligible entities should review in determining an applicant's income eligibility. The following are two examples of documentation an eligible entity could review.

Example 1: Applicants must provide documentation of their household's source(s) of income. Some examples of acceptable documentation include: pay stubs; a current tax return; IRS Form W-2 and/or 1099; a letter from an employer; a Social Security check or benefits statement; retirement income statement; unemployment insurance benefit statement; child-support payments documentation (copies of checks, history of payments or court papers); or self-employed accounting records. Documentation of current participation in public benefits programs with income eligibility standards at or below 125% of the HHS federal poverty guidelines may also be used.

Applicants who claim no household income must sign a form attesting to that fact and to the accuracy of the information provided to the eligible entity. This form must also be signed by a staff member indicating that the staff member has, in good faith, attempted to verify this condition, and that the information on eligibility in the file is accurate to the best of the staff member's knowledge.

Example 2: Before an applicant is determined to be eligible on the basis of family income, the applicant must submit information to the program concerning the family's income. Verification must include examination of documents such as individual income tax forms, W-2 forms, pay stubs, pay envelopes, or written statements from employers (if individual income tax forms, W-2 forms, pay stubs, or pay envelopes are not available).

CAAs may also establish procedures for when an individual or family is not able to produce eligibility documentation due to an emergency, such as a natural disaster or global pandemic. Such procedures may include the flexibility to accept signed statements from the individual or family attesting to necessary eligibility information, pending the availability of sufficient documentation at a later date.

In other cases, CAAs may find it more efficient or reliable to seek information from third parties who have first-hand knowledge about the applicant's eligibility and to record each such third party's name, title, organizational affiliation (if any), and relationship to the applicant. Eligible entities may seek third-party verification to prove that an applicant has no income in cases where documents are not submitted.

If eligible entities plan to seek third party verification from one or more parties regarding an applicant's eligibility, staff must inform the applicant about each party they intend to contact. In addition, the applicant must sign a consent form permitting the eligible entity to contact specified third parties; this provides applicants the opportunity to withhold their consent for third party verification from one or more parties. An applicant must be given the opportunity to withhold consent related to each party the eligible entity would like to contact. If applicants do not sign the consent form, the eligible entity may not contact that party, and the applicant remains responsible for providing appropriate documentation.

F. What records should be kept regarding the eligibility determination?

Neither the CSBG Act, nor applicable HHS regulations, nor OCS guidance specify the records an eligible entity should keep regarding the determination of an applicant's eligibility for CSBG services. At a minimum, an eligible entity should retain documentation sufficient to demonstrate that, where an individualized determination of income was required, staff screened applicants for income eligibility. The following are two examples of the records that could be kept to document the fact that an eligible entity reviewed a client's income and determined the client to be eligible for CSBG services.

Example 1: An eligible entity maintains a statement that identifies which documents staff examined and states that the applicant is eligible for CSBG services. The statement is signed by an employee who reviewed the documentation and determined the applicant to be eligible for CSBG services. Where an applicant claims no household income, the eligible entity maintains the form attesting to that fact signed by the applicant and the staff member who attempted to verify the applicant's household income.

Example 2: An eligible entity keeps an eligibility determination record for each applicant for CSBG services, which includes:

- Copies of all documents submitted by the applicant relating to the applicant's eligibility for services and any staff member's notes recording any other information related to eligibility received from any source;
- A signed and dated statement by the applicant certifying that the documents and information that the applicant provided concerning eligibility are accurate to the best of the applicant's knowledge;
- Documentation establishing that a staff member has sought to verify the accuracy of the information on eligibility provided to the eligible entity by:
 - Conducting an in-person interview with the applicant; and
 - Seeking information from third parties who have first-hand knowledge about the applicant's eligibility in cases in which no documentation regarding the income eligibility of the applicant has been received by the eligible entity, or when it is either more efficient or reliable to do so rather than to search for eligibility documentation. The record should include the names, titles, and affiliations of the third parties and the applicant's signed consent form permitting the program to contact each third party; and
- A signed and dated statement by the staff person who made the eligibility determination certifying that the information on eligibility in the file is accurate to the best of the person's knowledge, and based on that information, the person has determined the applicant to be eligible for services.

5. Are there any times when individualized determination of income eligibility may not be required?

Under certain circumstances, individualized determination of income eligibility may not be required. Eligible entities should confirm their understanding of these circumstances with their state CSBG office.

Services are provided on a group, rather than individual, basis, and circumstances indicate that those benefiting are likely to meet the CSBG income eligibility requirements. For example, a financial literacy class provided to parents of children in the eligible entity's Head Start program, or a job skills class provided to residents of a homeless shelter.

Services are provided on an individual basis, but circumstances make it impossible or impracticable to obtain income documentation and indicate that those benefiting are likely to meet the CSBG income eligibility requirements and/or that the services facilitate linkages and coordination of services to low-income people in the community. For example, a community resource hotline that provides referrals to local health and human services providers; general information and referrals regarding benefits and services available to low-income people in the community; a food pantry open to individuals and families living in a census tract with area median income at or below the CSBG

income eligibility limit; and disaster response and relief (such as emergency shelters or provision of food and clothing during or immediately following a disaster).

Services are intended to increase community awareness of or involvement in poverty issues. For example, an eligible entity sponsors a community forum on improving health care access for low-income people, convenes a meeting of organizations in the community serving homeless clients to discuss coordinating service delivery, or holds an open house to publicize the availability of its programs to members of the low-income community.

III. Other Eligibility Issues

6. How should costs be allocated for programs supported by both CSBG funds and funds with no or less restrictive eligibility requirements?

When CSBG funds are used to support a program that does not have eligibility requirements, that has higher income eligibility requirements than the CSBG program, or that does not limit services to the CAA's CSBG service area, clients should be screened for CSBG eligibility and identified as CSBG-eligible or not CSBG-eligible.

The eligible entity should have a reasonable, documented basis for allocating the program costs between CSBG and the other funding source(s) based on the relative benefit each funding source receives. This can be done, for example, by demonstrating that either: (1) the proportion of program clients who are CSBG-eligible is equal to or greater than the proportion of program costs paid with CSBG funds (e.g., if 70% of program costs are paid from CSBG funds and 30% are paid from another source, at least 70% of the clients served must meet CSBG eligibility requirements); or (2) the proportion of program staff time devoted to serving CSBG-eligible clients is equal to or greater than the proportion of program costs paid with CSBG funds (e.g., if 70% of program costs are paid from CSBG funds and 30% are paid from another source, at least 70% of staff time must be allocated to serving CSBG-eligible clients).

7. May an eligible entity require documentation that applicants for CSBG services live in the eligible entity's CSBG service area?

If residency in the CSBG service area is an eligibility requirement of the eligible entity or state CSBG law, an eligible entity may require documentation that applicants for CSBG services live in the eligible entity's CSBG service area. However, if state CSBG statutes or regulations do not require otherwise, an eligible entity may decide to serve individuals who live outside the service area (such as individuals who work in the service area). The following contains examples of residency documentation an eligible entity might require.

Example: Applicants must provide documentation of their current residential address. Forms of acceptable documentation include: copy of utility bill; lease or rental agreement; receipt from landlord of rent received; copy of mortgage statement; written statement from landlord affirming residency; or a letter from homeless shelter. Applicants who live with someone else and do not receive mail at that address may provide a signed letter from that person and documentation of that person's current

residential address. Self-certification is permitted in the case of applicants who are homeless and have no current residential address.

8. Are certain categories of people ineligible for CSBG services?

Other than people who do not meet the CSBG income eligibility requirements, no one is categorically ineligible for CSBG services.

Staff, Board Members and Members of their Families: There is no prohibition against an eligible entity providing CSBG-funded services to members of its tripartite board, its staff or members of their families who apply for those services, provided that: (1) the applicant meets all applicable eligibility criteria for the services; (2) the applicant does not receive preferential treatment in receiving the services due to their connection with the eligible entity; and (3) the services are provided on terms similar to those provided to individuals who are not so connected to the entity. Neither the applicant nor a member of their family should make the determination of whether the applicant is eligible for the CSBG-funded services.

Non-Citizens and Undocumented Individuals: CSBG does not limit eligibility to lawfully present immigrants, and CSBG programs do not need to ask or verify the immigration status of clients. While the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) instituted immigrant eligibility requirements for many federal public benefit programs, HHS has since determined that CSBG is not a federal public benefit program requiring immigrant eligibility, unless another statute precludes using CSBG funds to serve immigrants. See [OCS Information Memorandum 30 \(September 30, 1998\)](#).

Substance Abusers: There is no prohibition on the use of CSBG funds to provide services to substance abusers. Many eligible entities use CSBG funds to provide substance abuse treatment or additional services to clients in those programs.

Convicted Felons: Convicted felons are eligible for CSBG services. Indeed, a number of eligible entities use CSBG funds to provide prisoner re-entry services.

9. Can an eligible entity provide general information on services available in the community and referrals to other providers without an intake and eligibility screening process?

The CSBG Act requires states to include in their CSBG state plans, “information provided by eligible entities in the State, containing ... a description of how linkages will be developed to fill identified gaps in ... services, through the provision of information, referrals...” [42 U.S.C. § 9908\(b\)\(3\)\(B\)](#). Thus, it is clear that CSBG funds may be used to provide information and referrals, assuming the services are targeted to those who are CSBG-eligible. The very purpose of information and referral services is to connect people quickly and effectively to community, health and disaster services. Requiring individuals seeking general information and referrals to complete a detailed eligibility application would likely result in their turning elsewhere, thus defeating the purpose of providing information and referral services.

10. May CSBG funds support initial general intake and eligibility screening for people determined to be ineligible for CSBG services?

An eligible entity may use CSBG funds for initial intake and eligibility screening for general CAA services. If an applicant is determined not to meet the CSBG eligibility requirements, but is eligible

for other services provided by the eligible entity or by other organizations or entities that have less restrictive eligibility requirements (such as a higher income limit), CSBG funds may be spent on staff time and related expenses for the intake staff to inform the applicant about the availability of those services and to refer the applicant to a staff person whose time is paid out of the funding sources for those services for more information about and intake for those services.

11. What non-discrimination requirements apply to the CSBG eligibility determination process?

As noted below under the “Relevant Laws” section, eligible entities must conduct CSBG eligibility determinations in a manner that does not discriminate against applicants on the basis of race, color, national origin, age or disability. In addition, eligible entities that are religious organizations are prohibited from discriminating against applicants on the basis of religion.

For more information on rights and responsibilities under federal civil rights laws, visit the webpage of the [HHS Office for Civil Rights](#).

12. May an eligible entity deny CSBG services if the applicant is receiving similar services from another source?

CAPLAW does not recommend denying CSBG services to applicants because they may be receiving similar services from another organization. Instead, we encourage eligible entities to gather information that will permit them to coordinate services with those provided by other entities. If an eligible entity determines that the client has less need for services than other clients due to receiving similar services elsewhere, the eligible entity could use this factor in determining the priority of that client.

In addition, an eligible entity may take steps (including denying CSBG-funded services) to ensure that clients are not receiving duplicated CSBG-funded services from the eligible entity (for example, receiving the same services at multiple sites). The eligible entity can include questions on its intake form about whether applicants for services have recently received or are currently receiving services that are similar to those for which they are applying from the eligible entity and, if so, what organization(s) or entity(ies) provided or are providing those services. These questions would be asked of all applicants for services. Answers provided by applicants could then be used to determine whether there are specific organizations with which the eligible entity should coordinate and whether additional releases are needed from applicants or clients to enable the eligible entity to contact those organizations to coordinate the provision of services/benefits to those particular applicants or clients.

Appendix 1: Relevant Laws

Section 673(2) of the CSBG Act, 42 U.S.C. § 9902(2)

Section 673(2) of the CSBG Act, 42 U.S.C. § 9902(2) provides that:

The term ‘poverty line’ means the official poverty line defined by the Office of Management and Budget based on the most recent data available from the Bureau of the Census. The Secretary shall revise annually (or at any shorter interval the Secretary determines to be feasible and desirable) the poverty line, which shall be used as a criterion of eligibility in the community services block grant program established under this subtitle. The required revision shall be accomplished by multiplying the official poverty line by the percentage change in the Consumer Price Index for All Urban Consumers during the annual or other interval immediately preceding the time at which the revision is made. Whenever a State determines that it serves the objectives of the block grant program established under this subtitle, the State may revise the poverty line to not to exceed 125 percent of the official poverty line otherwise applicable under this paragraph.

Section 672 of the CSBG Act, 42 U.S.C. § 9901

CSBG funds distributed to eligible entities by states are to be used for the purposes of the CSBG Act which are:

1. to provide assistance to States and local communities, working through a network of community action agencies and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient ...; and
2. to accomplish the goals described in paragraph (1) through—
 - A. the strengthening of community capabilities for planning and coordinating the use of a broad range of Federal, State, local, and other assistance (including private resources) related to the elimination of poverty, so that this assistance can be used in a manner responsive to local needs and conditions;
 - B. the organization of a range of services related to the needs of low-income families and individuals, so that these services may have a measurable and potentially major impact on the causes of poverty in the community and may help the families and individuals to achieve self-sufficiency;
 - C. the greater use of innovative and effective community-based approaches to attacking the causes and effects of poverty and of community breakdown;
 - D. the maximum participation of residents of the low-income communities and members of the groups served by programs assisted through the block grants made under this subtitle to empower such residents and members to respond to the unique problems and needs within their communities; and
 - E. the broadening of the resource base of programs directed to the elimination of poverty so as to secure a more active role in the provision of services for—
 - i. private, religious, charitable, and neighborhood-based organizations; and
 - ii. individual citizens, and business, labor, and professional groups, who are able to influence the quantity and quality of opportunities and services for the poor.

Section 676(b)(3)(B) of the CSBG Act, 42 U.S.C. § 9908(b)(3)(B)

Section 676(b)(3)(B) of the CSBG Act, 42 U.S.C. § 9908(b)(3)(B), requires CSBG state plans to include, among other things:

information provided by eligible entities in the State, containing ... a description of how linkages will be developed to fill identified gaps in the services, through the provision of information, referrals, case management, and follow-up consultations.

Section 678F(c)(1) of the CSBG Act, 42 U.S.C. § 9918(c)(1)

Section 678F(c)(1) of the CSBG Act, 42 U.S.C. § 9918(c)(1), also specifies that:

No person shall, on the basis of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this subtitle. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.) or with respect to an otherwise qualified individual with a disability as provided in section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), or title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131 et seq.) shall also apply to any such program or activity.

Title VI of the Civil Rights Act of 1964, 42 U.S.C § 2000d

Eligible entities must ensure that:

No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

45 C.F.R. § 1050.3(e)

HHS regulations regarding Charitable Choice under the CSBG Act Programs, specify that:

A religious organization that receives funds under an applicable program, shall not, in providing program services or benefits, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or a religious belief.

Appendix 2: Income Definitions for Community Action and Social Welfare Programs

Community Action Program	Federal Income Eligibility Limit	Federal Income Definition	Sources (Federal and non-Federal)
CSBG	125% of FPL 200% for CSBG CARES, CSBG FY2021	N/A	42 U.S.C. § 9902(2) , state CSBG Act, CAA policy
Head Start	100% FPL	<i>Income</i> means gross cash income and includes earned income, military income, veteran’s benefits, Social Security benefits, unemployment compensation, and public assistance benefits. Additional examples of gross cash income are listed in the definition of “income” which appears in Appendix A of U.S. Bureau of the Census, Current Population Reports, Series P-60-185 , including: (1) money wages or salary; (2) net income from non-farm self-employment; (3) net income from farm self-employment; (4) Social Security or railroad retirement; (5) Supplemental Security income; (6) public assistance or welfare payments; (7) interest; (8) dividends, income from estates or trusts, net rental income or royalties; (9) veterans’ payments –or unemployment and worker’s compensation; (10) private pensions or government employee pensions; (11) annuities, alimony or child support, regular contributions from persons not living in the household, and other periodic income.	42 U.S.C. § 9840(a) , 45 CFR § 1305.2 ; Census Report Series P-60-185
WAP	200% FPL	<p>A. Income: Income means Cash Receipts earned and/or received by the applicant before taxes during applicable tax year(s) but not the Income Exclusions listed below in Section C. Gross Income is to be used, not Net Income.</p> <p>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; 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; and 8. Net gambling or lottery winnings.</p> <p>C. Income Exclusions: The following Cash Receipts are not considered sources of Income for the purposes of determining applicant eligibility: 1. Capital gains; 2. Any assets drawn down as</p>	42 U.S.C. 6862(7) , Weatherization Program Notice 21-3

		<p>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; and 18. Payments for care of Foster Children.</p>	
LIHEAP	The greater of 150% FPL or 60% State Median Income	N/A	42 U.S.C. 8624(b)(2)(B) , state law, but Model State Plan contains “forms of countable income” list
LIHWAP	The greater of 150% FPL or 60% State Median Income	<p>The forms of countable income used for benefit eligibility are generally left to the discretion of the grantee; however, the following sources are not applicable forms of countable income used to determine a household’s income eligibility for LIHWAP:</p> <ul style="list-style-type: none"> • Temporary Assistance for Needy Families (TANF) benefits • Supplemental Nutrition Assistance Program (SNAP) benefits • Women, Infants, and Children Supplemental Nutrition Program (WIC) benefits • Covid-19 Economic Impact Payments (Stimulus Checks) 	Consolidated Appropriations Act, 2021, Public Law No: 116-260, Supplemental Terms and Conditions, LIHWAP Model State Plan FY2021

Social Welfare Program ⁱ	Sources
SNAP	7 USC § 2014(c)-(d) ; 7 CFR § 273.9
HUD Vouchers, Section 8	42 USC § 1437a(b)(2) ; 24 CFR § 5.609
Medicaid, CHIP	42 USC § 1396a(a)(10) ; 42 CFR § 435.603

ⁱ Since these programs are directly administered by the federal government, they are subject to extensive federal regulations and guidance on calculating income eligibility. Summarizing such guidance is beyond the scope of this resource, but we have included citations to the relevant statutes and regulations for reference.

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