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BILL NO.: Senate Bill 283
Department of Human Services - Electric Universal Service
Program – Eligibility

COMMITTEE: Finance

HEARING DATE: February 1, 2022

SPONSOR: Senator Washington

POSITION: Support

The Office of People’s Counsel supports SB 283. The legislation ensures that all qualifying customers that pay into the Electric Universal Service Program (EUSP) are also able to benefit from the program.

The Office of Home Energy Programs (OHEP) provides utility bill assistance to eligible households to make their energy costs more affordable and to prevent loss of home energy services. OHEP utilizes four grants from different funding sources that each have varying levels of documentation requirements for applicants. The programs covered by these funding sources include Maryland Energy Assistance Program (MEAP), EUSP, and electric and gas arrearage retirement assistance.

Under these programs, OHEP distributes grant money made available by the Federal Low Income Energy Assistance Program (LIHEAP), the Regional Greenhouse Gas Initiative (RGGI) through the Maryland Strategic Investment Fund, and utility customers. Although these programs require varying levels of documentation depending on the grant-funding source, OHEP screens all applicants under the program with the most stringent criteria—MEAP, which, along with other documentation, requires a social security number under LIHEAP funding requirements. SB 283 requires OHEP to separate the MEAP and EUSP application process to allow applicants to receive assistance from the EUSP grant without using a social security number.

EUSP is funded by utility ratepayer fees and RGGI. Tying this State-funded grant to federally funded grants with different documentation standards leaves behind some residential customers who need help. The documentation standards for EUSP include applicant identification, proof of income for everyone in the household, proof of residence, and a current utility bill. If a person does not have a social security number or does not wish to share it they cannot access assistance through OHEP—even though they pay into EUSP through their monthly utility bill.

EUSP is an important component of assistance for income-eligible households as it directly lessens the energy burden of income-qualifying households. EUSP first pays down old bills and then spreads out the remaining dollars to be applied monthly to the customer's account to make their bill more affordable. SB 283 will allow all residential customers who pay into EUSP to apply and benefit from EUSP.

Recommendation: OPC requests a favorable report on Senate Bill 283.