

DATE: March 1, 2022

BILL NUMBER: SB 905

COMMITTEE: Finance

BILL TITLE: Human Services – Silver Energy Savers Program and Energy Assistance Fund

DHS POSITION: Letter of Information

The Department of Human Services (the Department) respectfully submits this letter of information regarding Senate Bill 905 (SB 905). SB 905 requires the Office of Home Energy Programs (OHEP) within the Family Investment Administration (FIA) to establish a Silver Energy Savers Program to provide assistance to eligible energy customers who are at least 60 years old.

Currently, OHEP allocates \$250,000 to its Local Administering Agencies (LAA), including Community Action Agencies, to fund outreach activities. Each LAA is required to submit an annual outreach plan, which is approved by OHEP in the state of Maryland. A key federal Low Income Home Energy Assistance Program (LIHEAP) outreach requirement is targeted outreach to individuals aged 60 years or older– with a goal of increasing applications for those 60 years or older by at least 5% each year. As part of the annual outreach planning process, each LAA carefully considers the unique needs of its community, especially seniors, one of Maryland’s most vulnerable populations. The partnership has created relationships with Departments of Aging, senior living communities and senior community centers throughout the state. Additionally, DHS maintains a state-wide call center to field constituents’ application questions with several local offices staffing their own call centers where applicants may apply over the phone.

The bill includes a funding mechanism allocated to establish the “Energy Assistance Fund”, which would provide funding for the 4 outreach centers throughout the state. Currently, OHEP’s operating budget allocates over \$10 million annually to Local Administering offices to fund administrative costs associated with assisting customers with completing an energy assistance application, as well as the administrative costs for determining eligibility for the program. The bill requires 6 Full-Time Equivalent (FTE) positions in each of the 4 centers throughout the state. The Department estimates the net fiscal impact will be approximately \$1.30 million in FY 2023, and \$1.35 million annually thereafter.

The Department appreciates the opportunity to share the aforementioned information regarding SB 905 for the Committee’s consideration.

