

SENATE BILL 392

C5, O1

EMERGENCY BILL

1lr1122
CF HB 606

By: **Senator Augustine**

Introduced and read first time: January 15, 2021

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 12, 2021

CHAPTER _____

1 AN ACT concerning

2 **Electricity and Gas – Limited–Income Mechanisms and Assistance**

3 FOR the purpose of authorizing certain utility companies to adopt a limited–income
4 mechanism to benefit certain eligible limited–income customers, subject to the
5 approval of the Public Service Commission; authorizing various forms that a
6 mechanism may take; requiring a utility company to apply for approval of a
7 mechanism by the Commission in certain manners; requiring a proposal for a
8 mechanism to allocate certain costs across rate classes; providing for the required
9 contents of a proposal for a mechanism; requiring the Office of Home Energy
10 Programs to certify an eligible limited–income customer’s qualifications under
11 certain circumstances; providing that an eligible limited–income customer who
12 participates in a certain mechanism may also be eligible for certain other assistance
13 programs; establishing that certain services provided to eligible limited–income
14 customers under a certain mechanism are not subject to certain limitations; altering
15 the eligibility criteria for certain assistance from the Electric Universal Service
16 Program; altering the number of years within which a certain customer may not
17 receive certain arrearage assistance from the Program; requiring the Department of
18 Human Services to provide certain applicants notice of and an opportunity to cure
19 certain deficiencies in documentation; prohibiting the termination of certain service
20 during a certain period; providing that arrearage assistance received in certain years
21 from the Program does not count toward a certain limitation; requiring the Governor
22 to make a certain appropriation in a certain amount for a certain fiscal year;
23 establishing a Workgroup on Low–Income Utility Assistance to conduct a certain
24 study of low–income energy assistance programs; providing for the membership,
25 purpose, and staffing of the Workgroup; requiring the Workgroup to report to certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



committees of the General Assembly on or before a certain date with certain recommendations; declaring the intent of the General Assembly; defining certain terms; providing for the termination of certain provisions of this Act; making this Act an emergency measure; and generally relating to limited-income customers and utility services.

BY adding to

Article – Public Utilities

Section 4–308

Annotated Code of Maryland

(2020 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Public Utilities

Section 4–503 and 7–512.1(a) and (f)

Annotated Code of Maryland

(2020 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – Public Utilities

Section 7–512.1(b), (c), and (e)

Annotated Code of Maryland

(2020 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – Human Services

Section 5–5A–01

Annotated Code of Maryland

(2019 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Human Services

Section 5–5A–07

Annotated Code of Maryland

(2019 Replacement Volume and 2020 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Public Utilities

4–308.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
INDICATED.

(2) "ELIGIBLE LIMITED-INCOME CUSTOMER" MEANS A RESIDENTIAL CUSTOMER OF A UTILITY COMPANY WITH ANNUAL INCOME THAT:

(I) 1. IS AT OR BELOW 175% OF THE FEDERAL POVERTY LEVEL; OR

~~(II)~~ 2. FOR A CUSTOMER AT LEAST 67 YEARS OF AGE, IS AT OR BELOW 200% OF THE FEDERAL POVERTY LEVEL; OR

~~(II)~~ (II) MEETS A BROADER DESIGNATION APPROVED BY THE COMMISSION.

(3) "LIMITED-INCOME MECHANISM" OR "MECHANISM" MEANS A PROCESS APPROVED BY THE COMMISSION UNDER THIS SECTION TO BENEFIT AN ELIGIBLE LIMITED-INCOME CUSTOMER OF A UTILITY COMPANY.

(4) "PAYMENT PLAN" MEANS AN AGREEMENT BETWEEN AN ELIGIBLE LIMITED-INCOME CUSTOMER AND A UTILITY COMPANY TO PAY AN ARREARAGE BALANCE OVER A SPECIFIC PERIOD OF TIME TO AVOID DISCONNECTION OF A UTILITY SERVICE.

(5) (I) "UTILITY COMPANY" MEANS:

~~(I)~~ AN ELECTRIC COMPANY, A GAS AND ELECTRIC COMPANY, OR A GAS COMPANY; ~~OR~~

~~(II)~~ ~~A MUNICIPAL ELECTRIC UTILITY.~~

(II) "UTILITY COMPANY" DOES NOT INCLUDE A SMALL RURAL ELECTRIC COOPERATIVE.

(B) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT THE SOCIETAL BENEFITS OF A WELL-CONSTRUCTED LIMITED-INCOME MECHANISM TO BENEFIT MARYLAND'S ELIGIBLE LIMITED-INCOME CUSTOMERS ARE IN THE PUBLIC INTEREST.

(C) (1) SUBJECT TO THE APPROVAL OF THE COMMISSION, A UTILITY COMPANY ~~MAY~~ SHALL ADOPT A LIMITED-INCOME MECHANISM TO BENEFIT AN ELIGIBLE LIMITED-INCOME CUSTOMER.

(2) ~~THE~~ NOTWITHSTANDING § 4-503(B) OF THIS TITLE, THE MECHANISM MAY TAKE THE FORM OF A PROGRAM, TARIFF PROVISION, CREDIT, RATE, RIDER, OR OTHER MEANS TO ASSIST AN ELIGIBLE LIMITED-INCOME CUSTOMER TO AFFORD A UTILITY SERVICE.

(3) A MUNICIPAL ELECTRIC UTILITY MAY ADOPT A LIMITED-INCOME MECHANISM SUBJECT TO THE APPROVAL OF THE COMMISSION IN THE SAME MANNER AS A UTILITY COMPANY IN ACCORDANCE WITH THIS SECTION.

(D) (1) A UTILITY COMPANY THAT PROPOSES A LIMITED-INCOME MECHANISM FOR COMMISSION APPROVAL UNDER SUBSECTION (C) OF THIS SECTION SHALL INCLUDE THE PROPOSAL IN:

(I) A SEPARATE APPLICATION FOR APPROVAL OF THE MECHANISM; OR

(II) ONLY WITH THE PRIOR APPROVAL OF THE COMMISSION, AN APPLICATION FOR A BASE RATE PROCEEDING, INCLUDING AN ALTERNATIVE RATE PROCEEDING, OR ANY OTHER PROCEEDING TO ALTER THE UTILITY COMPANY'S BASE RATES UNDER THE AUTHORITY OF THE COMMISSION;~~OR~~

~~(II) A SEPARATE APPLICATION FOR APPROVAL OF THE MECHANISM.~~

(2) A PROPOSAL SUBMITTED UNDER THIS SECTION SHALL ~~FULLY~~ ALLOCATE THE PRUDENTLY INCURRED COSTS OF THE LIMITED-INCOME MECHANISM ACROSS RATE CLASSES.

(3) THE PROPOSAL SHALL INCLUDE:

(I) A DETAILED DESCRIPTION OF THE PROPOSED MECHANISM;

(II) THE PROPOSED METHOD FOR ALLOCATING THE MECHANISM'S COSTS ACROSS CUSTOMER CLASSES;

(III) THE RATIONALE SUPPORTING THE UTILITY COMPANY'S PROPOSAL FOR A MECHANISM TO BENEFIT THE ELIGIBLE LIMITED-INCOME CUSTOMERS IN THE UTILITY COMPANY'S SERVICE TERRITORY; ~~AND~~

(IV) A TIME FRAME AND PROCESS FOR THE COMMISSION TO REVIEW THE EFFECTIVENESS OF THE MECHANISM AFTER IMPLEMENTATION; AND

(V) ANY OTHER INFORMATION THE COMMISSION CONSIDERS NECESSARY OR USEFUL TO EVALUATE THE PROPOSAL.

(E) IN EVALUATING A LIMITED-INCOME MECHANISM, THE COMMISSION SHALL CONSIDER:

1 **(1) THE DEGREE TO WHICH THE MECHANISM PROMOTES**
2 **AFFORDABILITY OF ELECTRICITY OR NATURAL GAS FOR LIMITED-INCOME**
3 **CUSTOMERS;**

4 **(2) THE PUBLIC INTEREST IN ALLOCATING THE COSTS OF THE**
5 **MECHANISM BETWEEN THE UTILITY COMPANY'S SHAREHOLDERS AND RATE PAYERS;**

6 **(3) THE IMPACT ON RATES, UTILITY OPERATING COSTS, CUSTOMER**
7 **ARREARAGES, CUSTOMER DISCONNECTIONS, UNCOLLECTIBLE COSTS, AND**
8 **SUCCESSFUL COMPLETION OF PAYMENT PLANS;**

9 **(4) THE ABILITY OF A LIMITED-INCOME CUSTOMER TO CONTINUE TO**
10 **RECEIVE BENEFITS WHEN RELOCATING WITHIN THE SAME SERVICE TERRITORY;**

11 **(5) COORDINATION OF BENEFITS UNDER THE MECHANISM WITH ANY**
12 **OTHER PUBLIC OR PRIVATE ASSISTANCE THAT MAY BE AVAILABLE TO THE**
13 **CUSTOMER;**

14 **(6) A MINIMUM LEVEL OF SUPPORT OR ASSISTANCE STRUCTURE TO**
15 **PROVIDE EQUITABLE AVAILABILITY OF LIMITED-INCOME ASSISTANCE ACROSS THE**
16 **STATE; AND**

17 **(7) ANY OTHER INFORMATION THE COMMISSION CONSIDERS**
18 **APPROPRIATE.**

19 ~~(F)~~ **(F) IF AN APPROVED LIMITED-INCOME MECHANISM REQUIRES THAT**
20 **THE OFFICE OF HOME ENERGY PROGRAMS MUST CERTIFY AN ELIGIBLE**
21 **LIMITED-INCOME CUSTOMER'S QUALIFICATIONS TO PARTICIPATE IN A**
22 **LIMITED-INCOME MECHANISM, THE OFFICE SHALL CERTIFY AN ELIGIBLE**
23 **LIMITED-INCOME CUSTOMER'S QUALIFICATIONS BEFORE THE CUSTOMER MAY**
24 **PARTICIPATE IN THE MECHANISM.**

25 ~~(F)~~ **(G) AN ELIGIBLE LIMITED-INCOME CUSTOMER WHO PARTICIPATES**
26 **IN A MECHANISM UNDER THIS SECTION MAY ALSO BE ELIGIBLE FOR OTHER**
27 **ASSISTANCE PROGRAMS OFFERED IN THE STATE, INCLUDING THOSE OFFERED BY A**
28 **UTILITY COMPANY OR THE OFFICE OF HOME ENERGY PROGRAMS, THE**
29 **DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, OR ANY OTHER**
30 **PUBLIC OR PRIVATE SOURCE.**

31 4-503.

32 (a) This section does not apply to service rendered or commodities furnished:

(1) to the officers, employees, pensioners, and immediate family members of the officers, employees, and pensioners of a public service company;

(2) to the United States, the State, or a local government;

(3) to provide relief in cases of general epidemic, pestilence, flood, or other similar calamity;

(4) in the case of common carriers, to transport:

(i) personnel of another common carrier that reciprocates for personnel of the transporting common carrier;

(ii) hospital patients;

(iii) indigent, destitute, and homeless individuals;

(iv) persons exclusively engaged in charitable work;

(v) residents of federal or State veterans homes, including those about to enter a home or those returning from a home;

(vi) railway mail service employees and baggage agents;

(vii) post office, customs, and immigration inspectors;

(viii) newspaper vendors;

(ix) property for exhibition carried to or from fairs and expositions;

(x) employees of sleeping car companies, express companies, telegraph companies, and telephone companies doing business along the line of the common carrier;

(xi) persons and property incident to or connected with contracts for construction, operation, or maintenance of the plant of the transportation company, to the extent provided in the contracts;

(xii) individuals injured in accidents and physicians, nurses, or other necessary caretakers attending the injured individuals in transit;

(xiii) children under the age of 5 years for no charge;

(xiv) children under 12 years for half fare; or

(xv) persons at free or reduced rates that are otherwise authorized by law;

(5) in the case of common carriers, for the issuance of mileage, excursion, or commuter tickets;

(6) to free steamboat excursion transportation from May through August of each year, from Baltimore City to any place in the State, in exchange for services rendered in advertising the excursion business;

(7) to obtain essential data by a method that uses a limited sample of customers, in connection with a rate structure study conducted under formal proceedings before the Commission; [or]

(8) to telephone lifeline service provided to eligible subscribers under § 8–201 of this article; OR

(9) TO ELECTRICITY OR GAS SERVICE PROVIDED TO ELIGIBLE LIMITED-INCOME CUSTOMERS THROUGH AN APPROVED LIMITED-INCOME MECHANISM UNDER § 4–308 OF THIS TITLE.

(b) For any service rendered or commodity furnished, a public service company may not directly or indirectly, by any means, including special rates, rebates, drawbacks, or refunds:

(1) charge, demand, or receive from a person compensation that is greater or less than from any other person under substantially similar circumstances;

(2) extend a privilege or facility to a person, except those privileges and facilities that are extended uniformly to all persons under substantially similar circumstances;

(3) discriminate against a person, locality, or particular class of service; or

(4) give undue or unreasonable preference to or cause undue or unreasonable prejudice to a person, locality, or particular class of service.

7–512.1.

(a) (1) The Commission shall establish an electric universal service program to assist electric customers with annual incomes:

(I) at or below 175% of the federal poverty level; OR

(II) FOR A CUSTOMER AT LEAST 67 YEARS OF AGE, AT OR BELOW 200% OF THE FEDERAL POVERTY LEVEL.

(2) The components of the electric universal service program shall include:

(i) bill assistance;

(ii) low-income residential weatherization; and

(iii) the retirement of arrearages for electric customers who have not received assistance in retiring arrearages under the universal service program within the preceding [7] 5 fiscal years.

(3) The Department of Housing and Community Development is responsible for administering the low-income residential weatherization component of the electric universal service program.

(4) (i) The Department of Human Services, through the Office of Home Energy Programs, is responsible for administering the bill assistance and the arrearage retirement components of the electric universal service program.

(ii) The Department of Human Services may:

1. establish minimum and maximum benefits available to an electric customer under the bill assistance and arrearage retirement components; and

2. coordinate benefits under the electric universal service program with benefits under the Maryland Energy Assistance Program and other available energy assistance programs.

(5) The Department of Human Services may, with input from a panel or roundtable of interested parties, contract to assist in administering the bill assistance and the arrearage retirement components of the electric universal service program.

(6) The Commission has oversight responsibility for the bill assistance and the arrearage retirement components of the electric universal service program and any other funds expended under this section.

(7) In a specific case, the electric universal service program may waive the income eligibility limitation under paragraph (1) of this subsection in order to provide assistance to an electric customer who would qualify for a similar waiver under the Maryland Energy Assistance Program established under Title 5, Subtitle 5A of the Human Services Article.

(8) (I) IF AN APPLICANT FOR BILL ASSISTANCE OR ARREARAGE RETIREMENT IS TO BE DENIED DUE TO DEFICIENT DOCUMENTATION, THE DEPARTMENT OF HUMAN SERVICES SHALL:

1. PROMPTLY PROVIDE NOTICE OF THE DEFICIENCY TO THE APPLICANT; AND

1 **2. AFFORD THE APPLICANT AMPLE OPPORTUNITY OF**
2 **NOT LESS THAN 3 MONTHS TO CURE THE DEFICIENCY.**

3 **(II) AN ELECTRIC COMPANY MAY NOT BEGIN THE PROCESS TO**
4 **TERMINATE SERVICE TO AN APPLICANT WHILE THE APPLICANT IS CURING A**
5 **DEFICIENCY UNDER THIS PARAGRAPH.**

6 **(9) NOTWITHSTANDING PARAGRAPH (2)(III) OF THIS SUBSECTION,**
7 **ANY ASSISTANCE RECEIVED FOR ARREARAGE RETIREMENT BY A CUSTOMER IN**
8 **CALENDAR YEARS 2020 AND 2021 MAY NOT BE COUNTED TOWARD THE LIMITATION**
9 **ON THE NUMBER OF TIMES THE CUSTOMER MAY RECEIVE ASSISTANCE FOR**
10 **ARREARAGE RETIREMENT.**

11 (b) (1) All customers shall contribute to the funding of the electric universal
12 service program through a charge collected by each electric company.

13 (2) The Commission shall determine a fair and equitable allocation for
14 collecting the charges among all customer classes pursuant to subsection (e) of this section.

15 (3) Except as provided in paragraph (4) of this subsection, in accordance
16 with subsection (f)(6) of this section, any unexpended bill assistance and arrearage
17 retirement funds returned to customers under subsection (f) of this section shall be
18 returned to each customer class as a credit in the same proportion that the customer class
19 contributed charges to the fund.

20 (4) The Department of Human Services shall expend any unexpended bill
21 assistance and arrearage funds that were collected in fiscal years 2010 through 2017, in
22 excess of the total amount authorized under subsection (e) of this section, for one or more
23 of the following purposes:

24 (i) bill assistance and the retirement of arrearages for customers
25 who are eligible to receive assistance at the time services are provided;

26 (ii) targeted and enhanced low-income residential weatherization
27 designed to remediate households that are considered ineligible to participate in other
28 State energy efficiency programs due to significant health and safety hazards;

29 (iii) an arrearage management program for low-income customers in
30 arrears, including providing credits or matching payments for customers who make timely
31 payments on current bills; or

32 (iv) an arrearage prevention program for low-income customers.

33 (5) An electric company shall recover electric universal service program
34 costs in accordance with § 7-512 of this subtitle.

1 (6) As determined by the Office of Home Energy Programs, bill assistance
2 payments to an electric company may be on a monthly basis for each customer.

3 (7) The Commission shall determine the allocation of the electric universal
4 service charge among the generation, transmission, and distribution rate components of all
5 classes.

6 (8) The Commission may not assess the electric universal service
7 surcharge on a per kilowatt-hour basis.

8 (c) (1) On or before December 1 of each year, the Commission shall report,
9 subject to § 2-1257 of the State Government Article, to the General Assembly on the electric
10 universal service program, including:

11 (i) subject to subsection (e) of this section, a recommendation on the
12 total amount of funds for the program for the following fiscal year based on:

13 1. the level of participation in and the amounts expended on
14 bill assistance and arrearage retirement during the preceding fiscal year;

15 2. how bill assistance and arrearage retirement payments
16 were calculated during the preceding fiscal year;

17 3. the projected needs for the bill assistance and the
18 arrearage retirement components for the next fiscal year; and

19 4. the amount of any bill assistance or arrearage retirement
20 surplus carried over in the electric universal service program fund under subsection (f)(6)(i)
21 of this section;

22 (ii) for bill assistance, the total amount of need, as determined by the
23 Commission, for electric customers with annual incomes at or below 175% of the federal
24 poverty level and the basis for this determination;

25 (iii) the amount of funds needed, as determined by the Commission,
26 to retire arrearages for electric customers who have not received assistance in retiring
27 arrearages under the electric universal service program within the preceding 7 fiscal years,
28 and the basis for this determination;

29 (iv) the amount of funds needed, as determined by the Commission,
30 for bill assistance and arrearage retirement, respectively, for customers for whom income
31 limitations may be waived under subsection (a)(7) of this section, and the basis for each
32 determination;

1 (v) the impact on customers' rates, including the allocation among
2 customer classes, from collecting the total amount recommended by the Commission under
3 item (i) of this paragraph; and

4 (vi) the impact of using other federal poverty level benchmarks on
5 costs and the effectiveness of the electric universal service program.

6 (2) (i) To assist the Commission in preparing its recommendations
7 under paragraph (1) of this subsection, the Office of Home Energy Programs shall report to
8 the Commission each year on:

9 1. the number of customers and the amount of distributions
10 made to fuel customers under the Maryland Energy Assistance Program established under
11 Title 5, Subtitle 5A of the Human Services Article, identified by funding source and fuel
12 source;

13 2. the cost of outreach and education materials provided by
14 the Office of Home Energy Programs for the electric universal service program; and

15 3. the amount of money that the Department of Human
16 Services receives, and is projected to receive, for low-income energy assistance from:

17 A. the Maryland Strategic Energy Investment Fund under §
18 9-20B-05 of the State Government Article;

19 B. with respect to electric customers only, the Maryland
20 Energy Assistance Program; and

21 C. any other federal, State, local, or private source.

22 (ii) The Office of Home Energy Programs may satisfy the reporting
23 requirement of subparagraph (i)1 of this paragraph by providing the Commission with a
24 copy of material that contains the required information and that the Office of Home Energy
25 Programs submits to the federal government.

26 (iii) The Commission shall include the information provided by the
27 Office of Home Energy Programs under subparagraph (i) of this paragraph in its report to
28 the General Assembly under paragraph (1) of this subsection.

29 (3) Subject to subsection (d)(2) of this section, the Commission shall include
30 the information provided by the Department of Housing and Community Development
31 under subsection (d)(1) of this section in its report to the General Assembly under
32 paragraph (1) of this subsection.

33 (4) The electric universal service program shall be subject to audit by the
34 Office of Legislative Audits in accordance with §§ 2-1220 through 2-1227 of the State
35 Government Article.

(e) The total amount of funds to be collected for the electric universal service program each year shall be \$37 million, allocated in the following manner:

(1) \$27.4 million shall be collected from the industrial and commercial classes; and

(2) \$9.6 million shall be collected from the residential class.

(f) (1) In this subsection, "fund" means the electric universal service program fund.

(2) There is an electric universal service program fund.

(3) (i) 1. The Comptroller shall collect the revenue collected by electric companies under subsection (b) of this section and place the revenue into the fund.

2. The General Assembly may appropriate funds supplemental to the funds collected under subsubparagraph 1 of this subparagraph.

(ii) The fund is a continuing, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(iii) The purpose of the fund is to assist electric customers as provided in subsection (a)(1) of this section.

(4) The Department of Human Services, with oversight by the Commission, shall disburse the bill assistance and arrearage retirement funds in accordance with the provisions of this section.

(5) The Comptroller annually shall disburse up to \$1,000,000 of low-income residential weatherization funds to the Department of Housing and Community Development, as provided in the State budget.

(6) (i) At the end of a given fiscal year, any unexpended bill assistance and arrearage retirement funds that were collected for that fiscal year shall be retained in the fund and shall be made available for disbursement through the first 6 months of the next fiscal year to customers who:

1. qualify for assistance from the fund during the given fiscal year;

2. apply for assistance from the fund before the end of the given fiscal year; and

3. remain eligible for assistance at the time services are provided.

(ii) If the Commission determines that an extension is needed, the Commission may extend up to an additional [3] 6 months the period in which unexpended bill assistance and arrearage retirement funds may be made available for disbursement under subparagraph (i) of this paragraph.

(iii) 1. Any bill assistance and arrearage retirement funds collected for a given fiscal year that are retained under subparagraph (i) of this paragraph and that remain unexpended at the end of the period allowed under subparagraphs (i) and (ii) of this paragraph shall be returned to each customer class in the proportion that the customer class contributed charges to the fund for the given fiscal year in the form of a credit toward the charge assessed in the following fiscal year.

2. If the Commission determines that it is impractical to establish a rate credit for the amount to be returned for a given fiscal year to customers under subsubparagraph 1 of this subparagraph, the Commission:

A. may defer the return for not more than 2 additional fiscal years; and

B. shall combine the returned amount for that fiscal year with amounts to be returned for the following fiscal years when calculating the rate credit for the final fiscal year of the period.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Human Services

5–5A–01.

(a) In this subtitle the following words have the meanings indicated.

(b) “Energy emergency” means a lack of fuel or the imminent discontinuation of energy services supplied by a fuel vendor or utility vendor that will endanger health, safety, or welfare.

(c) “Fuel vendor” means a person that distributes, transports, produces, or offers for sale coal products, fuel oil, kerosene, bottled gas, propane, or wood for fuel use or consumption in the State.

(d) “Office” means the Office of Home Energy Programs.

(e) “Program” means the Energy Assistance Program.

(f) “Utility vendor” means a person that distributes, transports, or produces natural gas or electricity for use or consumption in the State.

1 5-5A-07.

2 (a) (1) The Office shall:

3 (i) carry out an energy emergency crisis intervention program to
4 prevent low-income households, including the near poor, the elderly, households with
5 children, and those on fixed incomes from experiencing danger to health or survival as a
6 result of an energy emergency;

7 (ii) establish intake procedures for those experiencing an energy
8 emergency;

9 (iii) establish guidelines for the income and program eligibility of
10 applicants; and

11 (iv) identify local public or private agencies to administer the crisis
12 intervention program.

13 (2) (i) The Office shall make payments to fuel vendors and utility
14 vendors that have provided service to persons qualifying for the crisis intervention
15 program.

16 (ii) The amount of assistance shall be based on need.

17 (b) (1) The Office shall carry out one or more fuel and utility assistance
18 programs to make payments on behalf of qualified households to defray fuel and utility
19 costs.

20 (2) The Office shall determine program and income eligibility guidelines.

21 (3) The amount of assistance shall be based on need.

22 (c) **FOR FISCAL YEAR 2023 ONLY, THE GOVERNOR SHALL APPROPRIATE TO**
23 **THE OFFICE AN AMOUNT EQUAL TO THE UNEXPENDED APPROPRIATION TO THE**
24 **OFFICE FOR FISCAL YEAR 2021 FUNDING THAT WAS INCLUDED IN SUPPLEMENTAL**
25 **BUDGET NO. 5.**

26 SECTION 3. AND BE IT FURTHER ENACTED, That:

27 (a) There is a Workgroup on Low-Income Utility Assistance.

28 (b) The purpose of the Workgroup is to examine the forms of federal, State, local,
29 and private assistance available to low-income residential electric and natural gas
30 customers.

31 (c) The Workgroup consists of:

1 (1) the Secretary of Human Services or the Secretary's designee;

2 (2) the Secretary of Housing and Community Development, or the
3 Secretary's designee;

4 (3) the Attorney General, or the Attorney General's designee;

5 (4) the Chairman of the Public Service Commission, or the Chairman's
6 designee;

7 (5) the People's Counsel, or the People's Counsel's designee;

8 (6) one member of the Senate of Maryland, appointed by the President of
9 the Senate;

10 (7) one member of the House of Delegates, appointed by the Speaker of the
11 House; and

12 (8) the following members appointed by the Governor:

13 (i) two members representing the interests of low-income
14 residential electric and natural gas customers; and

15 (ii) two members representing natural gas and electric utilities.

16 (d) The Secretary of Human Services or the Secretary's designee shall serve as
17 the chair of the Workgroup.

18 (e) The Department of Human Services shall staff the Workgroup.

19 (f) The Workgroup shall study:

20 (1) the different systems and forms of financial assistance available to
21 low-income electric and natural gas customers in the State from federal, State, local, and
22 private sources, especially the Electric Universal Service Program and the Maryland
23 Energy Assistance Program;

24 (2) inefficiencies and gaps in the availability, qualification, and processing
25 of applications for and delivery of financial assistance to low-income electric and natural
26 gas customers;

27 (3) the feasibility of establishing a new natural gas universal service
28 program, or the expansion of existing programs to cover low-income natural gas customers,
29 including the characteristics of any new or expanded program;

(4) coordination of benefits under existing financial assistance programs for low-income electric and natural gas customers and means to improve coordination so as to extend and enhance the effectiveness of these programs;

(5) anticipated short-term and long-term demand for financial assistance for low-income electric and natural gas customers in the wake of the COVID-19 pandemic and systemic economic inequities, particularly in disadvantaged communities;

(6) the feasibility of establishing one or more financial assistance programs for small businesses in low-income communities; and

(7) any other matter the Workgroup considers relevant and helpful to addressing the needs of low-income utility customers.

(g) The Workgroup shall submit a report of the study, findings, and recommendations, including recommended legislation and regulatory changes, to the Senate Finance Committee and the House Economic Matters Committee, in accordance with § 2-1257 of the State Government Article, on or before January 1, 2022.

SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall remain effective through June 30, 2023, and, at the end of June 30, 2023, Section 2 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.