

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 648

(Chair, Environment and Transportation Committee)(By
Request - Departmental - Human Services)

Environment and Transportation

Education, Energy, and the Environment

Office of Home Energy Programs - Uniform Redetermination Process - Age

This departmental bill reduces the age, from 65 to 60 years old, for which the Office of Home Energy Programs (OHEP) must develop a uniform redetermination process to assist eligible energy customers in enrolling in energy assistance programs. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: The bill primarily alters the purposes for which existing funds may be used. To the extent it requires administrative changes, the Department of Human Services (DHS) can handle them with existing budgeted resources.

Local Effect: Local administering agencies (LAAs) can likely handle the bill's requirements with existing budgeted resources.

Small Business Effect: DHS has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services (DLS) concurs with this assessment.

Analysis

Current Law: OHEP, located within DHS, administers a variety of energy assistance programs and services for residential customers using LAAs, including local departments of social services, in each county and Baltimore City. These programs include, among others, the Electric Universal Service Program (EUSP) and the Maryland Energy

Assistance Program (MEAP), which is Maryland's version of the federal Low Income Home Energy Assistance Program (LIHEAP).

Chapters 665 and 666 of 2022 require OHEP to develop a uniform determination process, to be updated annually, to assist eligible energy customers who are at least 65 years old in enrolling in energy assistance programs. The redetermination process must require LAAs to (1) have an accessible location to receive eligible energy customers' applications according to OHEP's contractual or program requirements and (2) establish a policy reflecting reasonable accommodations for applicants who are homebound or request accommodation, including by arranging a home visit or allowing an individual to apply on behalf of an eligible energy customer. OHEP may not require a new application for a current energy customer whose eligibility has not changed from the previous year.

Under the redetermination process, OHEP must:

- provide notice of the redetermination process to all eligible energy customers and include with the notice an addressed envelope with prepaid postage;
- require yearly verification of status for each customer that qualifies for the redetermination process; and
- allow an eligible energy customer 45 days to respond to a request for additional information.

Fuel and Utility Assistance Program Eligibility

Chapter 207 of 2023 requires OHEP to enroll in any fuel and utility assistance program any household with an individual who is categorically eligible for the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, Supplemental Security Income, or means-tested Veterans Affairs benefits. Categorical eligibility refers to the practice of qualifying an applicant for a benefit program based on their prior or concurrent determination of eligibility for another benefit program.

Chapter 207 also increased the annual income eligibility level for EUSP to 200% of the federal poverty level (FPL). For its fiscal 2024 LIHEAP state plan, DHS submitted and received approval from the U.S. Department of Health and Human Services to increase the income eligibility for MEAP benefits from 175% to 200% of FPL. This change set income eligibility for MEAP equal to EUSP income eligibility. Therefore, both programs require a household income of at or below 200% of FPL (\$31,920 for an individual, \$43,280 for a household of two, \$54,640 for a household of three).

Electric Universal Service Program

EUSP helps the State's vulnerable and traditionally underserved populations pay their electric bills, minimize crises, and reduce their electric costs. Benefits include bill payment assistance and arrearage retirement assistance. EUSP is funded through ratepayer surcharge revenues collected by electric companies from consumer electric bills and through an allocation of the revenue generated by the Regional Greenhouse Gas Initiative quarterly auctions for the sale of carbon dioxide emission allowances, which is deposited to the Strategic Energy Investment Fund. When available and if needed, federal LIHEAP funds may also be used to support EUSP benefits.

Maryland Energy Assistance Program

MEAP helps the State's vulnerable populations pay their heating bills, minimize crises, and make heating costs more affordable. Benefits include utility and fossil fuel payments, the Utility Service Protection Program, referrals to weatherization services, emergency heating system repairs/replacement, waivers on utility fees, discounts on fuel purchases, and a gas arrearage component.

MEAP is 100% federally funded by LIHEAP. In general, MEAP benefits are paid directly to the building operator, property management company, or landlord if they agree to reduce the tenant's utility charge or rent by the amount of the benefit received on the resident's behalf. However, it is possible for a resident to receive the benefit directly if the heating bill is in the resident's name.

Background: DHS advises that the bill aligns eligibility for the redetermination process with LIHEAP reporting requirements. Expanding eligibility for the redetermination process to individuals age 60 and older allows OHEP to streamline federal reporting and avoid potential confusion regarding what constitutes an older adult (60 years or older). The [LIHEAP Household Report](#) collects data, including the number of households with an older adult that received energy assistance.

OHEP advises that, in fiscal 2025, 39,694 households with members who are at least aged 65 qualified for the redetermination process. OHEP estimates that approximately 1,760 additional households with members aged 60 to 64 will qualify for the expanded redetermination process under the bill. The bill alters how these households access OHEP programs but will not impact their benefits.

State Fiscal Effect: OHEP's redetermination process includes assisting older adults in *enrolling* in energy assistance programs. Although the bill expands eligibility for the redetermination process to customers who are at least aged 60, it is likely that a portion of individuals who currently receive energy assistance benefits may qualify to receive

assistance through the redetermination process. Therefore, DLS advises that it is unclear how many *new* energy assistance customers may receive energy assistance benefits as a result of expanded eligibility for the redetermination process outlined in the bill.

Each year OHEP examines the expected numbers of applications and recipients for energy assistance programs and adjusts benefit levels based on estimated available funding and recipient levels. Under the bill, if new households enroll for energy assistance through the redetermination process, OHEP will likely reduce benefit amounts in fiscal 2027 to accommodate the increased number of eligible households within available funding. However, if a significant number of new households enroll, funding may be exhausted, and DHS will stop issuing benefits under the programs.

For example, following expansion of categorical eligibility for energy assistance programs under Chapter 207 of 2023, total applications for energy assistance increased by 61.1% in fiscal 2024. In April 2024, funding for MEAP and the gas arrearage assistance programs was exhausted, and DHS stopped issuing new benefits. All pending MEAP applications, including gas arrearage assistance grant applications, were denied. However, benefits continued to be provided under EUSP. DHS began to issue benefits under these programs again in fiscal 2025.

The fiscal 2027 budget as passed by the General Assembly includes \$47.7 million in special funds for EUSP and \$94.7 million in federal funds for MEAP.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Department of Human Services; Maryland Energy Administration; Public Service Commission; Department of Legislative Services

Fiscal Note History: First Reader - February 15, 2026
jg/jc Third Reader - March 5, 2026
Revised - Budget Information - May 4, 2026

Analysis by: Amberly E. Holcomb

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Office of Home Energy Programs - Uniform Redetermination Process - Age

BILL NUMBER: HB 648

PREPARED BY: Vincent Pacheco

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

 X WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

 WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

This bill proposal does not have an economic impact on small businesses in Maryland. The proposal aligns the age of eligibility for uniform redetermination sixty (60) in Human Services Article 5-5A-09 to align with the federal LIHEAP definitions of “older adult” and “vulnerable populations.”