

SENATE BILL 770

C5

2lr1584
CF HB 1271

By: **Senator Ferguson**

Introduced and read first time: February 7, 2022

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 4, 2022

CHAPTER _____

1 AN ACT concerning

2 ~~Public Utilities~~ **Department of Housing and Community Development –**
3 **Homeowner Utility Repair Program and Fund – Establishment**

4 FOR the purpose of establishing the Homeowner Utility Repair Program in the Department
5 of Housing and Community Development to reimburse and provide grants to eligible
6 customers for costs associated with eligible repairs; establishing the Homeowner
7 Utility Repair Fund as a special, nonlapsing fund to ~~offset the costs a low to~~
8 ~~middle income residential~~ reimburse and provide grants to eligible customer may
9 incur customers for costs associated with a utility company's routine maintenance,
10 repairs, or upgrades eligible repairs; requiring interest earnings of the Fund to be
11 credited to the Fund; and generally relating to the Homeowner Utility Repair
12 Program and Fund.

13 ~~BY adding to~~
14 ~~Article – Public Utilities~~
15 ~~Section 7–315~~
16 ~~Annotated Code of Maryland~~
17 ~~(2020 Replacement Volume and 2021 Supplement)~~

18 BY adding to
19 Article – Housing and Community Development
20 Section 4–2901 through 4–2904 to be under the new subtitle “Subtitle 29.
21 Homeowner Utility Repair Program”
22 Annotated Code of Maryland
23 (2019 Replacement Volume and 2021 Supplement)

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.



1 BY repealing and reenacting, without amendments,
 2 Article – State Finance and Procurement
 3 Section 6–226(a)(2)(i)
 4 Annotated Code of Maryland
 5 (2021 Replacement Volume)

6 BY repealing and reenacting, with amendments,
 7 Article – State Finance and Procurement
 8 Section 6–226(a)(2)(ii)144. and 145.
 9 Annotated Code of Maryland
 10 (2021 Replacement Volume)

11 BY adding to
 12 Article – State Finance and Procurement
 13 Section 6–226(a)(2)(ii)146.
 14 Annotated Code of Maryland
 15 (2021 Replacement Volume)

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

18 ~~Article – Public Utilities~~ **Article – Housing and Community Development**

19 **SUBTITLE 29. HOMEOWNER UTILITY REPAIR PROGRAM.**

20 ~~7-315. 4-2901.~~

21 (A) ~~(1)~~ **IN THIS SECTION SUBTITLE THE FOLLOWING WORDS HAVE THE**
 22 **MEANINGS INDICATED.**

23 ~~(2)~~ (B) **“ELIGIBLE CUSTOMER” MEANS A RESIDENTIAL UTILITY**
 24 **CUSTOMER WHOSE HOUSEHOLD INCOME DOES NOT EXCEED 120% OF THE STATE**
 25 **MEDIAN INCOME.**

26 (C) **“ELIGIBLE REPAIR” MEANS THE REPAIR OF DAMAGE TO A WALL,**
 27 **CEILING, OR FLOOR INSIDE A RESIDENTIAL STRUCTURE CAUSED BY A REQUIRED**
 28 **UPGRADE, REPAIR, OR MAINTENANCE ACTION CONDUCTED BY A UTILITY COMPANY**
 29 **FOR WHICH THE UTILITY COMPANY DOES NOT MAKE THE REPAIR OR REIMBURSE**
 30 **THE CUSTOMER FOR THE REPAIR.**

31 (D) **“FUND” MEANS THE HOMEOWNER UTILITY REPAIR FUND.**

32 ~~(3)~~ (E) **“PROGRAM” MEANS THE HOMEOWNER UTILITY REPAIR**
 33 **PROGRAM.**

1 **(F) "STATE MEDIAN INCOME" MEANS THE MEDIAN HOUSEHOLD INCOME**
2 **FOR THE STATE, AS ADJUSTED FOR HOUSEHOLD SIZE.**

3 **(G) "UTILITY COMPANY" MEANS AN ELECTRIC COMPANY, A GAS COMPANY,**
4 **OR A GAS AND ELECTRIC COMPANY.**

5 **4-2902.**

6 **(A) THERE IS A HOMEOWNER UTILITY REPAIR PROGRAM IN THE**
7 **DEPARTMENT.**

8 **(B) THE PURPOSE OF THE PROGRAM IS TO:**

9 **(1) REIMBURSE ELIGIBLE CUSTOMERS FOR THE COST OF ELIGIBLE**
10 **REPAIRS; AND**

11 **(2) PROVIDE GRANTS TO ELIGIBLE CUSTOMERS TO FUND ELIGIBLE**
12 **REPAIRS.**

13 **(C) (1) BEGINNING JULY 1, 2023, AN ELIGIBLE CUSTOMER MAY APPLY**
14 **FOR REIMBURSEMENT UNDER THE PROGRAM FOR THE ACTUAL COSTS OF AN**
15 **ELIGIBLE REPAIR.**

16 **(2) THE MAXIMUM REIMBURSEMENT ISSUED FOR AN ELIGIBLE**
17 **REPAIR MAY NOT EXCEED \$1,000.**

18 **(D) (1) BEGINNING JULY 1, 2023, AN ELIGIBLE CUSTOMER MAY APPLY**
19 **FOR A GRANT UNDER THE PROGRAM EQUAL TO THE AMOUNT SPECIFIED IN A**
20 **LICENSED CONTRACTOR'S ESTIMATE FOR THE TOTAL COST OF ELIGIBLE REPAIRS.**

21 **(2) THE MAXIMUM GRANT AWARDED MAY NOT EXCEED \$1,000.**

22 **(3) FOLLOWING THE COMPLETION OF AN ELIGIBLE REPAIR FUNDED**
23 **BY A GRANT RECEIVED UNDER THIS SUBSECTION, AN ELIGIBLE CUSTOMER SHALL:**

24 **(I) SUBMIT DOCUMENTATION OF THE FINAL BILL, AS**
25 **REQUIRED BY THE DEPARTMENT; AND**

26 **(II) RETURN TO THE DEPARTMENT ANY UNSPENT GRANT**
27 **FUNDS.**

28 **4-2903.**

29 ~~(B)~~ **(A) THERE IS A HOMEOWNER UTILITY REPAIR FUND.**

~~(C)~~ **(B)** THE PURPOSE OF THE FUND IS TO OFFSET THE COSTS AN ELIGIBLE CUSTOMER INCURS FOR AN ELIGIBLE REPAIR. ~~OFFSET THE COSTS A LOW TO MIDDLE INCOME RESIDENTIAL CUSTOMER MAY INCUR FOR COSTS ASSOCIATED WITH A UTILITY COMPANY'S ROUTINE MAINTENANCE, REPAIRS, OR UPGRADES.~~

~~(D)~~ **(1)** ~~THE COMMISSION SHALL:~~

~~(I)~~ ~~ADMINISTER THE FUND; AND~~

~~(II)~~ ~~DETERMINE THE AMOUNT OF FUNDS TO BE TRANSFERRED ANNUALLY TO THE FUND FROM FEDERAL, STATE, AND LOCAL GOVERNMENT LOW INCOME WEATHERIZATION AND ENERGY ASSISTANCE PROGRAMS THAT RETAIN UNUSED FUNDS AT THE END OF A STATE FISCAL YEAR, INCLUDING:~~

~~1. THE ELECTRIC UNIVERSAL SERVICE PROGRAM ESTABLISHED UNDER § 7-512.1 OF THIS TITLE;~~

~~2. THE ENERGY ASSISTANCE PROGRAM ESTABLISHED UNDER TITLE 5, SUBTITLE 5A OF THE HUMAN SERVICES ARTICLE;~~

~~3. THE WEATHERIZATION PROGRAM DEVELOPED BY THE COMMUNITY DEVELOPMENT ADMINISTRATION UNDER § 4-211 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE;~~

~~4. THE U.S. DEPARTMENT OF ENERGY WEATHERIZATION ASSISTANCE PROGRAM; AND~~

~~5. ANY OTHER FEDERAL, STATE, OR LOCAL GOVERNMENT LOW INCOME PROGRAM THAT PROVIDES WEATHERIZATION AND ENERGY ASSISTANCE TO LOW TO MIDDLE INCOME RESIDENTIAL CUSTOMERS.~~

~~(2)~~ ~~THE COMMISSION MAY REQUEST A BUDGET AMENDMENT TO TRANSFER TO THE FUND UNSPENT UNENCUMBERED MONEY IN THE FUNDS LISTED IN PARAGRAPH (1)(II) OF THIS SUBSECTION AT THE END OF A GIVEN FISCAL YEAR.~~

~~(E)~~ **(C)** **(1)** THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

~~(F)~~ **(D)** THE FUND CONSISTS OF:

1 (1) ~~MONEY TRANSFERRED TO THE FUND UNDER SUBSECTION (D) OF~~
2 ~~THIS SECTION;~~

3 ~~(2)~~ (2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

4 ~~(3)~~ (2) INTEREST EARNINGS; AND

5 ~~(4)~~ (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED
6 FOR THE BENEFIT OF THE FUND.

7 ~~(C)~~ (E) THE FUND MAY BE USED ONLY TO ~~OFFSET THE COSTS A LOW TO~~
8 ~~MIDDLE INCOME RESIDENTIAL CUSTOMER INCURS FOR COSTS ASSOCIATED WITH A~~
9 ~~UTILITY COMPANY'S ROUTINE MAINTENANCE, REPAIRS, OR UPGRADES;~~

10 (1) REIMBURSE ELIGIBLE CUSTOMERS FOR THE COST OF ELIGIBLE
11 REPAIRS; AND

12 (2) PROVIDE GRANTS TO ELIGIBLE CUSTOMERS TO FUND ELIGIBLE
13 REPAIRS.

14 ~~(H)~~ (F) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE
15 FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

16 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO
17 THE FUND.

18 ~~(I)~~ (G) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN
19 ACCORDANCE WITH THE STATE BUDGET.

20 ~~(J)~~ (H) MONEY EXPENDED FROM THE FUND IS SUPPLEMENTAL TO AND IS
21 NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE
22 APPROPRIATED TO THE FUND.

23 (I) IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER, THE
24 GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF
25 \$500,000 FOR THE FUND.

26 4-2904.

27 THE DEPARTMENT SHALL ADOPT REGULATIONS TO ADMINISTER THE FUND,
28 INCLUDING REGULATIONS ESTABLISHING:

29 (1) REIMBURSEMENT AND GRANT ELIGIBILITY REQUIREMENTS;

- 1 **(2) APPLICATION PROCEDURES;**
- 2 **(3) DOCUMENTATION REQUIREMENTS; AND**
- 3 **(4) PROCEDURES FOR RETURNING UNSPENT FUNDS FOLLOWING**
- 4 **RECEIPT OF A GRANT.**

Article – State Finance and Procurement

6–226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

- 144. the Health Equity Resource Community Reserve Fund;
- [and]
- 145. the Access to Counsel in Evictions Special Fund; **AND**
- 146. THE HOMEOWNER UTILITY REPAIR FUND.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2022.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.