

BILL NUMBER: Senate Bill 913**COMMITTEE:** Finance**BILL TITLE:** Human Services – Supplemental Nutrition Assistance Program – Heat and Eat Program**DHS POSITION:** Letter of Information

The Department of Human Services (DHS) respectfully offers this letter of information regarding Senate Bill 913 (SB913). SB913 would require the Department of Human Services to institute a “Heat & Eat” Program and promulgate the regulations necessary to carry out the program.

“Heat & Eat” refers to the practice of providing a minimal Low Income Home Energy Assistance (LIHEAP) benefit to Supplemental Nutrition Assistance Program (SNAP) recipients in order to qualify the household for the Standard Utility Allowance and therefore a higher SNAP benefit. This deduction is already granted to a Maryland Energy Assistance Program (MEAP) recipient applying for SNAP. All households responsible for their heating costs in any way, including those with their heat included in their rent, are eligible to receive MEAP benefits, but not all SNAP recipients apply for energy assistance through the Office of Home Energy Programs.

Fifteen states and the District of Columbia have Heat & Eat initiatives. Although a state could implement Heat & Eat through approval of the SNAP and LIHEAP state plans, most states have statutes authorizing and guiding the initiative. The District of Columbia does not use LIHEAP funds for their Heat & Eat initiative, but rather general funds.

There are budget implications to institute this initiative. Roughly \$8,821,865 in LIHEAP/MEAP funds would have to be set aside and specifically dedicated for the additional Heat & Eat benefit. This impact would have to be factored into the calculation of MEAP benefits, and may result in lower benefits for sole MEAP recipients.

Additionally, implementation of a Heat and Eat program would require IT systems upgrades. As part of the Department’s current IT modernization project, MD Think, the OHEP data management system will be fully integrated into the new Enrollment and Eligibility (E&E) system by July 1, 2022. This systems integration will allow for administrative streamlining across the Department’s range of benefit programs. Specifically, it will allow for easier portability of customer information between OHEP and SNAP programs. To implement a Heat and Eat program prior to this systems integration, a one time upgrade to the legacy OHEP system would be needed. This upgrade would cost approximately \$200,000 in general funds. As such, the Department recommends the committee to consider a delayed implementation date for this bill, especially considering that Heat & Eat would have no effect on the recipient’s benefit amount during the COVID-19 pandemic period. SNAP customers will continue to receive the maximum household benefit allotment until the state of emergency declaration is lifted.

Implementation of a Heat & Eat program would need to be approved by the United States Department of Agriculture, Federal Nutrition Service (USDA FNS) and the United States Department of Health and Human Service (HHS). The Department would need to amend and resubmit the State’s LIHEAP and SNAP plans for approval by our federal partners.

The Department appreciates the opportunity to share the aforementioned information regarding SB913 and



respectfully requests that this information be considered during the Committee's deliberations.