



One Park Place | Suite 475 | Annapolis, MD 21401-3475
1-866-542-8163 | Fax: 410-837-0269
aarp.org/md | md@aarp.org | twitter: @aarpmd
facebook.com/aarpmd

HB 1001 Office of Home Energy Programs – Uniform Redetermination Process
FAVORABLE
House Economic Matters Committee
March 3, 2022

Good afternoon, Chair Wilson and members of the House Economic Matters Committee. I am Tammy Bresnahan, Director Advocacy AARP MD. AARP MD and its over 850,000 members support **HB 1001 Office of Home Energy Programs—Uniform Redetermination Process**. We thank Delegate Carey for sponsoring this important legislation that will allow older Marylanders to access energy assistance programs easier and without delay.

HB 1001 requires the Office of Home Energy Programs (OHEP) in the Department of Human Services (DHS) 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. OHEP must maintain records organized by county, including the number of households during the previous year (1) that were eligible for redetermination; (2) whose notice of the redetermination process was verified and returned; and (3) that were reenrolled in the redetermination process. This information must be reported to the General Assembly by December 1 each year. DHS must adopt regulations to implement the bill.

Home energy costs make up a sizable portion of low-income senior household budgets. In Maryland, 41% of the 400,000 low-income households are older adults 60 and older. Since the pandemic, residential prices for natural gas, electricity, and fuel oil have increased significantly. According to the Applied Public Policy Research “APPRISE” report, low-income older households spend an average of 13 percent of their income on residential energy.

AARP Maryland thinks one reason for this home energy dilemma is that the current OHEP application process is tricky, it has a high denial rate, and it requires older adults to re-apply every year. Even though there is a re-determination mandate on the books, it’s not in law, and appears to be inconsistently executed across the state.

Home energy costs are a major expense for U.S. households. Price increases have a greater impact on older consumers and households with lower incomes. Too often, older adults with low incomes must choose between cutting back on energy expenditures and reducing spending for other necessities. They may end up risking their health or comfort.

When home energy prices are high or unpredictable, older adults may be unable to adequately cool and heat their homes. Such exposure can lead to a host of adverse health outcomes. These can range from the aggravation of chronic health conditions to food spoilage and even premature death.

Regulators and lawmakers should ensure that consumers with low incomes can afford their utilities. This includes telecommunications, energy, and water. Utility assistance programs should ensure that all who qualify can receive assistance. And when possible, we encourage policymakers to strengthen outreach and education for these programs to make it easier for older adults to get access to assistance programs.

We believe HB 1001 will:

- Help more low-income seniors keep their heat and lights on.
- Help more low-income seniors age in place by not placing undue burdens on people 65 and older to re-visit a local office to re-apply when their household's income and number living in household's stay often stay the same.
- Offer Maryland a more efficient process for administering a grant program.
- Help older adults who may be frail, sick, or suffering dementia or memory issues get automatic alerts from the state for redetermination.

For these reasons AARP Maryland asks the Committee for Favorable report on HB 1001. For follow up or questions, please contact Tammy Bresnahan at tbresnahan@aarp.org or by calling 410-302-8451,