

MALCOLM AUGUSTINE
Legislative District 47
Prince George's County

PRESIDENT PRO TEMPORE

Executive Nominations Committee

Education, Energy and the
Environment Committee



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

January 30, 2024

Senate Bill 171 - Landlord and Tenant – Office of Home Energy Programs – Financial Assistance

Dear Colleagues,

I am pleased to present **Senate Bill 171 - Landlord and Tenant – Office of Home Energy Programs – Financial Assistance**. The Maryland Office of Home Energy Programs (OHEP) plays a crucial role in providing vital assistance to low-income households grappling with energy-related financial challenges. OHEP offers support for paying utility bills, addressing past-due payments, safeguarding against utility turn-offs, and facilitating access to weatherization and energy efficiency upgrades. These services are particularly essential for households that may not have other avenues to secure such support. The objective of this legislation is to assist individuals in accessing the benefits for which they are eligible.

Certain OHEP programs are designed to assist households whose utility payments are integrated into their rent. However, to ensure accurate and effective distribution of support grants, OHEP requires visibility into the utility bill. Typically, this involves the landlord accepting the payment on behalf of the tenant and then crediting the dispersed amount to the individual's rent. Alternatively, OHEP can directly distribute funds to the tenant if provided with the necessary bill information. Feedback from various community organizations reveal that while the majority of landlords actively participate in OHEP, some either refuse to accept payments or foster tenant-landlord relationships that discourage tenants from requesting required information.

As originally drafted, Senate Bill 171 advocates for landlords to accept these funds, introducing penalties for non-compliance. Following discussions with the Department of Human Services (DHS) and advocates, a preferable solution has been identified. Instead of the current bill, the proposed amendment incorporates electric and gas utilities into the Real Property Article. This amendment extends the existing requirement for landlords to furnish tenants with a copy of the bill for utilities paid through them. This adjustment is anticipated to enhance transparency for all tenants and provide those hesitant to engage with landlords an avenue to access their bills and associated benefits.

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Thank you for your attention to this critical matter. I urge the committee to give a **favorable** report, as amended, for **Senate Bill 171 - Landlord and Tenant – Office of Home Energy Programs – Financial Assistance** acknowledging its potential to streamline utility assistance processes, improve transparency, and ultimately benefit a broader spectrum of tenants in need.

Sincerely,

A handwritten signature in black ink that reads "Malcolm Augustine". The signature is written in a cursive, flowing style.

Senator Malcolm Augustine

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Amendment

Delete the text of the bill and replace it with the following additions to MD Code, Real Property, § 8-205.1:

Utility service provider defined

(a) In this section, “utility service provider” means a public service company or a unit of State or local government that provides water, ~~or sewer~~, **gas, or electric** utility services.

Scope of section

(b)(1) This section applies only to a landlord of a building that contains one or two residential dwelling units.

(2) This section does not apply to a landlord that requires a tenant, under an oral or written lease, to pay water, ~~or sewer~~, **gas or electric** bills directly to the utility service provider.

Payments to landlord; copy of bill to tenant

(c) A landlord that requires a tenant to make payments for water, ~~or sewer~~, **gas or electric** utility services to the landlord shall:

(1) Use a written lease that provides notice that the tenant is responsible for making payments for water or sewer utility services to the landlord; and

(2) Provide a copy of the water, ~~or sewer~~, **gas or electric** bill to the tenant.