

Testimony to the Judicial Proceedings Committee HB71 Landlord and Tenant – Office of Home Energy Programs – Financial Assistance Position: Favorable

1/29/2024
The Honorable Senator Smith, Chair
Judicial Proceedings Committee
2 East
Miller Senate Office Building
Annapolis, Maryland 21401

Chair Korman and Honorable Members of the Committee:

My name is Zoe Gallagher and I am a Policy Associate at Economic Action Maryland. Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

As representative of an organization that works closely with tenant advocacy and affordable housing, I am writing to urge a favorable report on SB171 with sponsor amendments, which would require landlords who include utilities in the cost of rent to accept assistance funds from The Office of Home Energy Programs from their tenants as payment for utilities. It would also require for such arrangements, that the nature of utility payments be outlined in the lease agreement. It would also require landlords to provide copies of the utility bills for the occupied unit so that tenants can apply for OHEP assistance.

Last month, just as gas and electric bills were surging due to cold temperatures, the Public Service commission approved Baltimore Gas and Electric's (BGE) proposed three year plan to raise rates by over \$400 million. This will lead to a yearly 5% increase in rates over the next three years, which many Marylanders cannot afford without assistance. Unfortunately, for some renters who pay their utility bills as a portion of their monthly rent, it is difficult to obtain this assistance due to a lack of transparency, or simply because their landlord can refuse OHEP funds as a substitute for full payment of rent from the tenant.

As nearly a <u>third</u> of renters across Maryland are considered extremely low-income, it is crucial that energy assistance funds are accessible to those most in need. As it is already incredibly difficult for renters across the state to find affordable housing, it is unfair for a renter to be denied access to this program, simply because of payment policies pre-determined by their landlord. If a renter is low-income and qualifies for OHEP funds, they should be able to gain access to this incredibly beneficial resource, even if their landlord chooses to take responsibility for direct payment of utilities.

For these reasons, I urge a favorable report on 171.

Sincerely, Zoe Gallagher, Policy Associate