214.1 Eligibility for Utility Allowances

Households may be eligible for **one** of the following two utility allowances when their expenses are verified (see SNAP Manual section 212.9):

A. Standard Utility Allowance (SUA)

  a. Except for some recipients of the Maryland Energy Assistance Program (MEAP), only households that are billed for heating or cooling separately from their rent or mortgage are eligible for the SUA. Cooling by central or room air conditioners confers eligibility for the SUA. The use of fans does not qualify the household for the SUA. The following households are eligible for the SUA:

    i. Renters who are billed on a monthly basis by their landlords for actual usage through individual metering,

    ii. Households living in private housing who are charged a flat rate for heating and cooling,

    iii. Households, including those living in public housing that are billed for excess heating or cooling costs,

    iv. Multiple households sharing utility expenses for heating and cooling, or

    v. Households that can verify they pay utility bills that are in someone else's name.

  Example 1: The Baltimore Gas and Electric Company bills the Smiths for gas each month and the gas is used to heat the Smith's home. They pay the bill directly to the utility company and have provided verification of the expense. This household is entitled to the SUA.

  Example 2: The Baltimore Gas and Electric Company bills the Smiths directly for electric use only. The electric is used to operate the central air conditioner in warm weather. This household is entitled to the SUA.

  Example 3: Mary Johnson pays $100 per month for her rent and an additional $50 flat per month for the utilities including heat and air conditioning for her apartment per her lease. She pays the money to her landlord. This household is entitled to the SUA.

214.1 Eligibility for Utility Allowances (continued)

b. The use of supplemental heating equipment such as gas, electric, kerosene, wood heaters, or stoves **does not** qualify the household for the Standard Utility Allowance (SUA) if the cost of the principal heating source (e.g. an oil furnace) is included in the rent or mortgage.

c. SUA is automatically applied to households with an elderly (age 60 or older) or disabled member and the household received more than $20 in energy assistance payments (from MEAP or another similar program) in the last 12 months.

   i. If a household reports receipt of a MEAP benefit in the past heating season, and it expects to receive it again in the next heating season, the household is eligible for the SUA.

   ii. The household's receipt or expectation of receiving MEAP entitles it to the SUA for the entire year because Maryland's SUA is updated annually.

   iii. If the landlord reduces the rent to reflect receipt of the MEAP payment, allow the reduced amount for the rental cost because this is now the billed rent.

   Example 1: Ms. A (age 42, not disabled) applied for SNAP benefits on February 28. She reported receipt of a MEAP payment in January for this heating season. She is not automatically entitled to the SUA because her household does not include an elderly or disabled household member. Ms. A may be eligible for the SUA based on the actual utility expenses that she verifies she pays.

   Example 2: Ms. B (age 64) applied for SNAP benefits on January 5. Her heat is included in the rent. She reported that last year she received MEAP to help with heat in her house and she plans to apply again this year. This household is automatically eligible for the SUA because it includes an elderly household member and anticipates receiving MEAP again this year.

d. The receipt of indirect (vendor) energy assistance payments from non-federal funds, such as the Electric Universal Service Program (EUSP), will not affect eligibility for the SUA if the household incurs out-of-pocket expenses over and above its prorated

214.1 Eligibility for Utility Allowances (continued)

indirect energy assistance in any month. Compute the prorated amount by dividing the indirect energy assistance received by five (there are five months in the heating season in Maryland, November 1 through March 31).

e. If the energy assistance is authorized by federal law and administered by the Maryland Energy Assistance Program (MEAP), do not prorate the MEAP assistance or determine out-of-pocket costs. The full amount of the MEAP payment is deemed to be out-of-pocket for the determination of eligibility for the SUA.

B. Limited Utility Allowance (LUA)

a. Households that incur an **expense for more than one of the following utilities that do not include heating or cooling costs** are eligible for the LUA:

i. Electric or fuel for purposes other than heating or cooling,
ii. Water or sewerage,
iii. Well installation and maintenance,
iv. Septic tank system installation and maintenance,
v. Garbage or trash collection,
vi. Gas (natural or propane),
iv. Telephone

b. Households eligible for the Limited Utility Allowance (LUA) include households that:

i. Share the utility expense for more than one utility that does not include heating or cooling. Each household is entitled to the full LUA.

ii. Are billed for excess usage of utilities that do not include heating, cooling or telephone costs, including those households in public housing.

iii. Can verify they pay utility bills that are in someone else's name.

iv. Pay a flat rate for any two or more utilities not including heat or cooling.

214.1 Eligibility for Utility Allowances (continued)

Example 1: The Potomac Electric Power Company bills the Robinsons for electricity each month. The electricity is used for the lights and cooking only; Verizon bills the household for their telephone each month. This household is entitled to the LUA.

Example 2: John Smith pays his landlord $50 per month rent and $25 per month (flat rate) for the electric and water. The heat is included in his rent. This household is entitled to the LUA.

214.2 Shared Utility Costs

A. Households that share a residence and heating or cooling costs with other individuals or households are entitled to the full SUA or LUA. **Do not prorate** the utility allowance between individuals in a household who contribute to meeting a utility cost.

   Example 1: A two-person SNAP benefit household shares a residence with another individual. Each of the two SNAP benefit household members contributes separately toward meeting the utility costs. The individual they live with also contributes toward meeting the utility costs. The SNAP household is entitled to the full utility allowance.

   Example 2: Marsha Jones and Sue Smith live together and share the expenses. Ms. Jones pays the gas bill (which is their source of heat) and Ms. Smith pays the other utilities (which is their source of cooling). **They have each applied for Supplemental Nutrition Assistance Program (SNAP) benefits separately and both are entitled to the full SUA (it is their choice how they share or divide the utility costs).**

B. The shared expense situation differs from the normal tenant/landlord relationship where the landlord usually provides the heat from a central furnace and the cost of the heat is recouped as part of the rent.

C. The SUA and LUA are not prorated when the utility expenses are shared between ineligible and eligible household members. The SNAP household is entitled to the entire utility allowance.

214.2 Shared Utility Costs (continued)

D. The household may pay its portion of the utility expense directly to the utility company, to the landlord, or to the household with which it shares utility expenses.

E. When two or more households live in separate housing units (such as apartments, trailers, houses, etc.) and share one utility meter, each household gets a full allowance.

   Example: Mr. Johns and Mr. Jeffers live in the same apartment complex (but separate apartments) as Ms. Smith and Ms. Jones. They share utility meters and divide all expenses in half. Both households are entitled to the full SUA.

214.3 Telephone Allowance

A. The telephone allowance is a flat rate (see section 600.3) for those households that incur a telephone cost. This includes a cell phone.

B. Give the household the full allowance regardless of the amount paid on the bill or if the bill is shared among several households.

C. **Do not** give the telephone allowance if the household is eligible for a utility allowance. If a household has a telephone expense and any other utility expense that is not for heating or cooling, the household is eligible for the LUA only and not the telephone allowance.

214.4 Examples of Utility Allowance Policy

Situation	Utility Allowance
The SNAP benefit household is a tenant whose apartment has a separate meter for electricity. The household has a phone. The heat is provided centrally in the landlord's name and the cost is included in the customer's rent.	**LUA** - Neither heat nor air conditioning is included in the billing to the SNAP household and the household pays an electric and phone bill. phone.

The SNAP benefit household's landlord charges the household $200 rent, plus $30 each month for utilities that include heat.	**SUA** - The landlord bills the household separately for utilities that include heat, so the household is eligible for the SUA.
The household is a tenant who is billed directly by the electric company. The landlord is billed by a fuel oil company and provides heat centrally. The tenant has a window air conditioner for cooling that runs on electricity.	**SUA** - The household is billed directly by the electric company and the cost of cooling is included in the electric.
The SNAP benefit household is a tenant that resides with two other families that are not part of the SNAP household. The families are billed for utilities that include heat. The SNAP household pays its portion of the utility expense to the household that is billed.	**SUA** - The household is responsible for a share of a utility bill that includes the cost of heat.
Mr. and Mrs. A. live together with their 3 children. Mr. A. is an ineligible immigrant. Mrs. A. and their children receive SNAP. Mr. A pays the shelter expenses, including heat.	**SUA** - Even though Mr. A is not eligible for SNAP, his relationship to those who are eligible requires him to be part of the household composition and he is responsible for a heating expense.