



Department of Human Resources
311 W. Saratoga St.
Baltimore, MD. 21201-3521

FIA ACTION TRANSMITTAL

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**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS**

FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, FIA

RE: STANDARD UTILITY ALLOWANCE - SWITCHING

PROGRAM AFFECTED: FOOD STAMP PROGRAM

**ORIGINATING OFFICE: OPA/ DIVISION OF PROGRAM POLICY AND
REGULATION**

BACKGROUND

A provision of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, requires that in states without a mandatory standard utility allowance, households are allowed to switch between actual expenses and the standard utility allowance (SUA) only at recertification.

Maryland requested approval from the Food and Consumer Service to make the standard/ limited utility allowances (SUA/LUA) mandatory. In order to do this, the current allowances must be revised. The SUA must include heating and cooling. The LUA must be lowered because it no longer includes the cost of cooling. We expect to revise the LUA in the future. We must implement the PRWORA provision until the LUA is revised.

OLD POLICY

A household is permitted to switch between the actual utility costs and the utility allowances at the time of recertification and one additional time during each 12-month period.

NEW POLICY

A household is allowed to switch between actual expenses and the utility allowances only at recertification, unless the household moves to another residence during the certification period.

A household with a 24-month certification period can switch only at the end of the 24-month certification period, unless the household moves.

ACTION REQUIRED

AIMS

On the AAPB or ACHG form enter 'Y' for SUA, 'N' for LUA or actual expenses in the UTIL STAND field. In the PAID UTIL field, enter zeroes for SUA, \$110 for LUA, or the actual expense amount.

CARES

On the SHEL screen, in the UTIL STD field, enter 'Y' for SUA or LUA, or 'N' for actual expenses.

Update the following fields:

- Number HH Sharing (Prorates rent & utility expenses for number of households)
- Primary Heat Source (Indicates the main heating source, i.e. gas, kerosene, etc.)
- Secondary Heat Source (Indicates back-up heating source, if any)
- Is heat in the rent? ('N' for SUA, 'Y' for LUA, or as appropriate for ACTUAL)
- Do you pay light/cooking? ('Y' or 'N' if customer pays for these utilities)

When actual expenses are used as the shelter cost, enter the amount billed and verification for the appropriate EXPENSE TYPE.

ACTION DUE

The policy is effective upon receipt of this transmittal for new applications and at the next recertification for ongoing cases.

INQUIRIES

Please direct questions to Kay Finegan at (410) 767-7939.

cc: FIA Management Staff
Constituent Services
Help Desk