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

FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, FIA

RE: MANDATORY RENT VENDOR PROGRAM

PROGRAMS AFFECTED: CASH ASSISTANCE

ORIGINATING OFFICE: OFFICE OF POLICY AND RESEARCH

BACKGROUND:

In 1995, the Maryland General Assembly approved a law that required all public housing residents
who received Aid to Families with Dependent Children (AFDC) and had a rent arrearage of 30
days or more to participate in the Mandatory Rent Vendor Payment Program at the request of the
Housing Authority. Only recipients whose sole income was AFDC could participate in the
program. Under the original legislation, the program was to be in effect for two years. Action
Transmittal 95-61 dated July 10, 1995 delineated policy and procedures regarding this Mandatory
Rent Vendor Payment program.

NEW POLICY:

The 1997 Maryland General Assembly, under House Bill 358, repealed the two year time limit for
the Mandatory Rent Vendor Program and made it a permanent program in DHR. The
Community Services Administration and the Family Investment Administration will continue to
administer the program jointly.

Local departments will enroll TCA recipients who are tenants in public housing and are more than
30 days delinquent paying full monthly rent to the housing authority in the Mandatory Rent
Vendor Payment Program. At the housing authority’s request, the local department will deduct
the amount of the rent from the TCA grant on an ongoing basis. The local department will pay
the amount deducted to the public housing authority and the remainder of the grant to the
recipient. The tenant will remain in the Mandatory Rent Vendor Payment program until the
housing authority terminates the agreement. If the court has established an escrow account, make
the payment to the court as long as the court order is in effect.
Public housing tenants whose sole income is Temporary Cash Assistance (TCA), with rent arrearage of 30 days or more are eligible to be enrolled in the program. TCA recipients who are in a work supplementation or grant diversion program where the grant is paid to subsidize a job are not eligible for enrollment in the Mandatory Rent Vendor Program. TCA families participating in the Mandatory Rent Vendor Payment program are still eligible for Emergency Assistance (EA).

Jurisdictions which currently have recipients enrolled in the Mandatory Rent Vendor Payment program will not have to change. All policy and system procedures outlined in Action Transmittal 95-61 remain unchanged.

**ACTION REQUIRED:**

All Local Departments

**ACTION DUE DATE:** July 1, 1997

**INQUIRIES:**

Please direct questions concerning this transmittal to Patricia Jeffers on (410) 767-7143. Please direct questions concerning housing to Kirk Wilborne on (410) 767-7397.

cc: DHR Executive Staff  
FIA Management Staff  
Constituent Services  
Help Desk