



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

FIA ACTION TRANSMITTAL

Issuance Date: June 9, 1997

Effective Date: July 1, 1997

Control Number: FIA/OPA # 97-88

**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The 1997 Maryland General Assembly, under House Bill 358, repealed the two year time limit for the Mandatory Rent Vendor Program and made it a permanent program in DHR.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