

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 358 (Delegate Harrison)
Appropriations

**Social Services - Family Investment Program - Deductions from Assistance
Payments to Pay Public Housing Authority**

This bill repeals the June 30, 1997 abrogation date for provisions of Chapter 599 of the Acts of 1995 and changes references to Aid to Families With Dependent Children (AFDC) to Family Investment Program (FIP). Chapter 599 requires the Department of Human Resources (DHR), at the request of a local housing authority, to assign a portion of an AFDC recipient's assistance grant to a public housing authority for rent payment if the tenant has been 30 or more days delinquent in paying rent.

Fiscal Summary

State Effect: DHR expenditures would continue in FY 1998 as discussed below.

Local Effect: Local finances would continue in FY 1998 as discussed below.

Small Business Effect: None. The bill would not directly affect small businesses.

Fiscal Analysis

State Expenditures: Department of Human Resources expenditures will be maintained because the bill proposes to continue the deductions from public assistance payments to individuals who are delinquent in paying rent for public housing. Approximately 675 individuals a month are delinquent in paying public housing rent. The department has been handling the requirements of Chapter 599 with existing budgeted resources. Processing the deductions from public assistance payments should become easier once the Clients Automated Resource and Eligibility System (CARES) becomes operational in Baltimore City in March 1998.

Local Effect: Local housing authorities would continue to realize increased public housing

rental revenues and cost savings from a reduction in rent enforcement procedures.

Information Source(s): Department of Human Resources, Baltimore City, Department of Fiscal Services

Fiscal Note History: First Reader - February 4, 1997

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