

# HOUSE BILL 231

C8

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By: **Chair, Environmental Matters Committee (By Request – Departmental – Housing and Community Development)**

Introduced and read first time: January 23, 2008

Assigned to: Environmental Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Department of Housing and Community Development – Community**  
3 **Development Administration – Rental Assistance Programs**

4 FOR the purpose of repealing a certain Rental Allowance Program; establishing  
5 certain rental assistance programs; authorizing the Department of Housing and  
6 Community Development to provide financial assistance to certain households;  
7 requiring the Secretary of Housing and Community Development to adopt  
8 certain regulations and guidelines; authorizing the administration of this Act;  
9 requiring the Department to consult with certain other agencies in establishing  
10 rental housing programs; declaring the intent of the General Assembly; and  
11 generally relating to rental assistance programs within the Department of  
12 Housing and Community Development.

13 BY repealing

14 Article – Housing and Community Development  
15 Section 4–1401 through 4–1408 and the subtitle “Subtitle 14. Rental Allowance  
16 Program”  
17 Annotated Code of Maryland  
18 (2006 Volume and 2007 Supplement)

19 BY repealing and reenacting, with amendments,

20 Article – Housing and Community Development  
21 Section 4–103  
22 Annotated Code of Maryland  
23 (2006 Volume and 2007 Supplement)

24 BY adding to

25 Article – Housing and Community Development  
26 Section 4–1401 through 4–1405 to be under the new subtitle “Subtitle 14.  
27 Rental Assistance Programs”

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland  
2 (2006 Volume and 2007 Supplement)

3 Preamble

4 WHEREAS, The Department of Housing and Community Development provides  
5 housing assistance to households at risk of homelessness, persons with disabilities,  
6 disaster evacuees, and others with critical or emergency housing needs through  
7 various programs and under various statutory provisions; and

8 WHEREAS, The Department wishes to continue to provide such assistance and  
9 to update its programs to ensure it can address the needs of different populations in  
10 current and future housing markets; and

11 WHEREAS, Statutory changes are necessary to clarify the Department's  
12 authority and provide flexibility to enable the Department to meet the housing  
13 affordability issues confronting Maryland's residents today and tomorrow; now,  
14 therefore,

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That Section(s) 4-1401 through 4-1408 and the subtitle "Subtitle 14.  
17 Rental Allowance Program" of Article – Housing and Community Development of the  
18 Annotated Code of Maryland be repealed.

19 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
20 read as follows:

21 **Article – Housing and Community Development**

22 4-103.

23 The Division includes:

- 24 (1) the Community Development Administration;
- 25 (2) the Down Payment and Settlement Expense Loan Program;
- 26 (3) the Elderly Rental Housing Program;
- 27 (4) federal and State weatherization programs;
- 28 (5) the Group Home Financing Program;
- 29 (6) the Lead Hazard Reduction Grant Program;
- 30 (7) the Lead Hazard Reduction Loan Program;
- 31 (8) the local government infrastructure program;

- 1 (9) the Maryland Home Financing Program;
- 2 (10) the Maryland Housing Rehabilitation Program;
- 3 (11) the Neighborhood Housing Services Fund;
- 4 (12) the Operating Assistance Grants Demonstration Projects;
- 5 (13) the Partnership Rental Housing Program;
- 6 (14) the Radium Pilot Grant Program;
- 7 (15) the [Rental Allowance Program] **RENTAL ASSISTANCE**
- 8 **PROGRAMS;**
- 9 (16) the Rental Housing Production Program; and
- 10 (17) the Self-Help Homeownership Technical Assistance Program.

11 **SUBTITLE 14. RENTAL ASSISTANCE PROGRAMS.**

12 **4-1401.**

13 **IN THIS SUBTITLE, "PROGRAMS" MEANS THE RENTAL ASSISTANCE**

14 **PROGRAMS.**

15 **4-1402.**

16 **THERE ARE RENTAL ASSISTANCE PROGRAMS IN THE DEPARTMENT.**

17 **4-1403.**

18 **THE DEPARTMENT IS AUTHORIZED TO ESTABLISH AND ADMINISTER**

19 **RENTAL ASSISTANCE PROGRAMS, INCLUDING PROGRAMS TO ASSIST**

20 **HOUSEHOLDS THAT:**

- 21 (1) **ARE HOMELESS OR AT RISK OF HOMELESSNESS;**
- 22 (2) **INCLUDE AN INDIVIDUAL WITH A DISABILITY OR SPECIAL**
- 23 **NEED;**
- 24 (3) **HAVE BEEN DISPLACED OR OTHERWISE IMPACTED BY**
- 25 **DISASTER; OR**

1           (4)    **HAVE A CRITICAL OR EMERGENCY HOUSING NEED.**

2   **4-1404.**

3           (A)    **THE DEPARTMENT MAY ADMINISTER THE PROGRAMS BY**  
4 **PROVIDING MONTHLY HOUSING ASSISTANCE PAYMENTS TO OR ON BEHALF OF**  
5 **ELIGIBLE HOUSEHOLDS DIRECTLY OR THROUGH POLITICAL SUBDIVISIONS,**  
6 **THEIR LOCAL HOUSING AGENCIES OR DEPARTMENTS, OR NONPROFIT**  
7 **ORGANIZATIONS.**

8           (B)    **IN ESTABLISHING THE PROGRAMS, THE DEPARTMENT SHALL**  
9 **CONSULT WITH, AS APPROPRIATE:**

10           (1)    **THE DEPARTMENT OF HUMAN RESOURCES;**

11           (2)    **THE DEPARTMENT OF DISABILITIES; OR**

12           (3)    **ANY OTHER UNIT OF STATE OR LOCAL GOVERNMENT.**

13           (C)    **THE SECRETARY SHALL ESTABLISH CRITERIA FOR THE PROGRAMS,**  
14 **INCLUDING:**

15           (1)    **INCOME LIMITS FOR ELIGIBILITY OF HOUSEHOLDS;**

16           (2)    **TIME FRAMES FOR ASSISTANCE;**

17           (3)    **MONTHLY ASSISTANCE AMOUNTS;**

18           (4)    **STANDARDS FOR ELIGIBLE DWELLING UNITS, INCLUDING**  
19 **TYPES OF UNITS, INSPECTION STANDARDS, AND RENT LIMITS;**

20           (5)    **ELIGIBLE USES OF ASSISTANCE PAYMENTS WHICH MAY**  
21 **INCLUDE SECURITY DEPOSITS, UTILITIES, AND OTHER HOUSING RELATED**  
22 **EXPENSES; AND**

23           (6)    **ANY OTHER CRITERIA THE SECRETARY DEEMS APPROPRIATE.**

24           (D)    **IN ESTABLISHING THE PROGRAM CRITERIA, THE SECRETARY MAY**  
25 **CONSIDER FACTORS THAT INCLUDE:**

26           (1)    **HOUSEHOLD SIZE AND EXPECTED AVERAGE INCOME;**

27           (2)    **REGIONAL VARIATIONS THROUGHOUT THE STATE;**

1           **(3) TYPICAL HOUSING COSTS AND EXPENSES;**

2           **(4) RELEVANT STANDARDS AND DEFINITIONS ESTABLISHED FOR**  
3 **STATE AND FEDERAL HOUSING PROGRAMS;**

4           **(5) HOUSING NEEDS OF ELIGIBLE HOUSEHOLDS AND THE**  
5 **EXPECTED DURATION OF THE HOUSING NEEDS; AND**

6           **(6) EQUITABLE DISTRIBUTION OF FUNDS STATEWIDE.**

7           **(E) THE SECRETARY MAY ESTABLISH DIFFERENT CRITERIA FOR**  
8 **DIFFERENT PROGRAMS.**

9 **4-1405.**

10           **THE DEPARTMENT MAY ADOPT REGULATIONS TO CARRY OUT THE**  
11 **PROGRAMS.**

12           SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the  
13 General Assembly that the existing Rental Allowance Program as administered by the  
14 Department under the statute repealed by this Act continue and become the rental  
15 assistance program for households that are homeless or at risk of homelessness  
16 created under § 4-1403 of the Housing and Community Development Article, as  
17 enacted by this Act and that the Department continue to use the existing network of  
18 Rental Allowance Program providers for rental assistance for homeless populations  
19 provided those entities are interested in continuing to manage the program.

20           SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
21 July 1, 2008.