Resolution No.: 15-1636
Introduced: October 17, 2006
Adopted: October 17, 2006

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: County Council

Subject: Approval of Executive Regulation 17-06 AM, Requirements for the Supportive Housing Rental Assistance Program

Background

1. On September 21, 2006, the County Council received Executive Regulation 17-06, Requirements for the Supportive Housing Rental Assistance Program, from the County Executive.

2. Executive Regulation 17-06 is processed under Method 2, and the County Council may approve or disapprove the regulation within 60 days after receiving it.

3. The Health and Human Services Committee reviewed Executive Regulation 17-06 on September 21, 2006, and recommended certain amendments. The Committee recommends approval as amended.

4. The Executive reissued the subject regulation incorporating the Committee’s recommended amendments, and re-numbered it Executive Regulation 17-06 AM to indicate that it was amended after transmittal to the Council.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

Executive Regulation 17-06AM, Requirements for the Supportive Housing Rental Assistance Program, is approved.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council
Montgomery County Regulation on:

REQUIREMENTS FOR THE SUPPORTIVE HOUSING RENTAL ASSISTANCE PROGRAM

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Issued by: County Executive
Regulation No. 17-06AM

Authority: Code Section 2-42A
Council Review: Method 2 under Code Section 2A-15
Register Vol. 23, Issue 8

Comment Deadline: August 31, 2006
Sunset Date: None
Effective Date: October 17, 2006

SUMMARY: This regulation establishes the requirements for the Supportive Housing Rental Assistance Program.

ADDRESS: Copies of this regulation may be obtained from the Department of Health and Human Services, Director’s Office, Special Needs Housing, 401 Hungerford Drive, 5th floor, Rockville, MD 20850

STAFF CONTACT: Gloria Huggins, Department of Health and Human Services, Director’s Office, Special Needs Housing, 240-777-4565

BACKGROUND: Chapter 2, Section 2-42A of the Montgomery County Code authorizes the Montgomery County Department of Health and Human Services to administer programs and provide human services. This regulation sets forth the standards for eligibility and procedures for the administration of the Supportive Housing Rental Assistance Program.
Section 1

Definitions

1.1 Definitions

Unless more specifically defined, the following words have the meanings stated:

A. Applicant means a person who applies for the Program, but is not yet a recipient of benefit payments.

B. Adjusted monthly income means the combined monthly gross income of all of the members of the household, less allowable deductions as defined in Section 1, 1.1 (L).

C. Asset means all accumulated personal wealth, property or interest in property, over which a person has the authority or power to liquidate an interest.

1. An asset includes, but is not limited to:

   a. cash;

   b. time or demand deposits in a financial institution such as checking accounts, savings accounts, certificates of deposit, or money market funds;

   c. stock;

   d. bonds;

   e. shares in a mutual fund;

   f. trusts; or

   g. real estate.
2. An asset does not include:
   a. furniture and furnishings used in the rental unit;
   b. clothing; or
   c. one automobile for each member of the household who is a licensed driver.

D. Benefit payment means the monthly payment made by the Department to the landlord for a recipient’s contract rent.

E. Co-occurring disability means the simultaneous existence of chronic substance abuse and a mental disorder.

F. Contract rent means the monthly rent agreed to by a written lease agreement between the applicant household and the landlord, regardless of any furnishings, fees, meals, or services.

G. Department means the Montgomery County Department of Health and Human Services.

H. Director means the Director of the Montgomery County Department of Health and Human Services or the Director’s designee.

I. Developmental disability means a severe chronic disability of an individual that:

   1. is attributable to a physical or mental impairment, other than the sole diagnosis of mental illness, or attributable to a combination of mental and physical impairments;
2. is likely to continue indefinitely;

3. is manifested in an individual before the age of 22;

4. results in an inability to live independently without external support or continuing and regular assistance; and

5. reflects the need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are individually planned and coordinated for the individual.

J. **Elderly** means a person at least 62 years old.

K. **Fair Market Rent** means the rent, including the cost of utilities (except telephone), as most recently published by the United States Department of Housing and Urban Development, for units of varying sizes (by number of bedrooms) that must be paid in the Washington Metropolitan Area housing market to rent privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities.

L. **Gross income** means total **household** income, taxable and nontaxable, from all sources, whether or not reported on a federal or state income tax return.

1. **Gross income** includes, but is not limited to:

   a. wages and tips received as compensation for employment or services rendered, before taxes and other deductions;
b. interest and dividends from all financial accounts;

c. benefits under the Social Security Act or the Railroad Retirement Act;

d. bequests and inheritances;

e. child or spousal support payments;

f. recurring monetary gifts and loans (excluding student loans) made to the household by other persons not living in the household to assist with rent or other living expenses;

g. strike benefits where there is no employee contribution;

h. Temporary Cash Assistance (TCA), Refugee Assistance, and Temporary Disability Assistance Program (TDAP) benefits;

i. pensions and annuity benefits, including veterans, railroad and mine worker benefits;

j. unemployment compensation benefits;

k. trust fund disbursements;

l. capital gains;

m. net profits from business and property rentals;

n. worker's compensation benefits;

o. stipends for educational or research fellowships for living expenses, excluding that portion that covers tuition and required fees;
p. foster care benefits; and

q. net income from self-employment.

2. **Gross income** does not include:

   a. losses from businesses, rental, or capital transactions;

   b. third-party payments made by someone outside of the **household** for living expenses;

   c. payments given directly to a service provider for which the **applicant** has no discretion over the use of the funds;

   d. employment income of **household** members under 18 years old, unless emancipated;

   e. employment income of full-time students 18 years of age or older, unless that person is the applicant, or the spouse of the applicant.

   f. student financial assistance in the form of grants, loans or work study aid provided under the Higher Education Act, under a State program, or by an institution of higher education and including Pell Grants, Supplemental Educational Opportunity Grants, Federal Family Education Loans, Ford Direct Loans, Perkins Loans, State Student Incentive Grant, College Work Study, Civic and Fraternal Scholarships, Private Company Scholarships;

   g. Medicare payments deducted from Social Security benefits; and
h. Nazi Restitution payments to victims of Nazi persecution.

3. A deduction from monthly **household gross income** may be granted by the Department when determining eligibility for the Program, if documentation is provided by the applicant that demonstrates the household makes regular out-of-pocket payments for any of the following:

a. child care expenses up to the Montgomery County average cost of child care, by type of care, as determined by the Montgomery County Working Parents Assistance Program;

b. medical expenses for doctor and dental fees, prescription drugs and prescribed medical procedures that are not reimbursed by insurance or other sources;

c. over-the-counter medical products, if ordered by a doctor to treat an ongoing medical condition; or

d. medical insurance premiums.

M. **Homeless** means individuals and families who are defined consistent with the McKinney-Vento Homeless Education Assistance Act of 2001 as individuals, adults and children, who lack a fixed, regular, and adequate nighttime residence. This includes individuals and families who:

1. share the housing of other persons due to loss of housing, economic hardship, or a similar reason;
2. live in motels, hotels, trailer parks or camping grounds due to the lack of alternative accommodations;

3. live in emergency or transitional shelters;

4. are abandoned in hospitals;

5. are awaiting foster care placement;

6. reside primarily at nighttime in a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings; and

7. live in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings.

N. **Household** means a single individual, or two or more persons, whether or not related, who live together in a **rental unit**.

O. **Legal resident** means a person who is either a citizen of the United States or a person who is a non-citizen who has been granted eligible immigration status in the United States by the United States Citizenship and Immigration Services.

P. **Mental disorder** means a behavioral or emotional illness that results from a psychiatric or neurological disorder. A **mental disorder** also includes a mental illness that substantially impairs the mental or emotional functioning of an individual and makes care or treatment necessary or advisable for the welfare of the individual.
or for the safety of the person or property of another. **Mental disorder** does not include a **developmental disability**.

Q. **Mixed household** means any **household** that includes persons who are legal **residents** and persons who are not legal **residents**.

R. **Program** means the Supportive Housing Rental Assistance Program.

S. **Recipient** means a person who currently receives a **benefit payment**. An **applicant** becomes a **recipient** on the effective date of the first **benefit payment** to the landlord. A **recipient** includes a person who reapplies for **Program** eligibility before the end of a current eligibility period.


U. **Rental unit** means a unit in Montgomery County that is licensed in accordance with Chapter 29 of the Montgomery County Code.

1. A **rental unit** cannot be occupied by more than one **household** and includes, but is not limited to:
   a. a detached or attached single family home or town home;
   b. an apartment in a multi-family facility;
   c. a condominium or cooperative unit in a multi-family facility;
d. a rental mobile home in a licensed mobile home park; or a rented mobile home pad on which the applicant has placed a mobile home in a licensed mobile home park;

e. a room or group of rooms in an attached or detached single family home or town home, apartment condominium or cooperative;

f. a personal living quarters; or

g. an accessory apartment.

2. A rental unit owned by a relative of any member of the applicant household is eligible only if the Department determines that approving the rental unit would provide reasonable accommodation for the recipient or for a household member.

V. Service coordinator means the person from the Department, or an agency contracted by the Department, designated to provide on-going outreach to a recipient to engage them in services and ensure residential stability.

W. Service provider agency means the Montgomery County public or private agency that refers an applicant to the Program.

X. Special populations means:

1. a person with a sensory, cognitive or mobility impairment;

2. a person with a developmental disability;

3. a person with a chronic mental disorder;
4. a person with a co-occurring disability;

5. a person with chronic substance abuse;

6. a person who is elderly and in need of independent or assisted living;

7. a person who is homeless; or

8. a youth transitioning from systems of public custodial care such as foster care and juvenile justice.

Y. Substance abuse means the use of illegal drugs, the excessive use of alcohol, the excessive use of an over-the-counter drug, or the excessive use, without medical justification, of a controlled dangerous substance dispensed by a health care professional.

Z. Suitably sized unit means the standard for the appropriate number of bedrooms needed for households of different sizes and compositions as most recently published by the Montgomery County Housing Opportunities Commission for the Housing Choice Voucher Program.

AA. Tenant rent responsibility means the monthly amount owed by the recipient household to the landlord. The tenant rent will be equal to 30% of the recipient household’s gross adjusted monthly income, less any monthly utility allowance.
Section 2

Eligibility

2.1 General Applicant Requirements

All of the following criteria must be met for an applicant to be eligible for the Program.

A. Applicant must be referred by the Department or a public or private service provider agency.

B. Applicant must be included in at least one of the special populations as defined in Section 1, 1.1 (X) of this regulation.

C. Applicant must be a legal resident of the United States.

D. Applicant must be a resident of Montgomery County.

E. Applicant must be at least 18 years old and must plan to reside at the eligible rental unit for which the benefit payment is being paid.

F. Applicant, or any household member, must not have been previously excluded by the Director from participation in the Program.

G. Applicant, and all household members 18 years of age or older, must agree to undergo a criminal background check and be screened through the National Sex Offender Registry.
H. **Applicants** will be excluded from the **Program** if they or any member of the

**household** has been convicted of criminal activity that would adversely affect the

health, safety or wellbeing of other persons or cause damage to the property.

2.2 Income Requirement

The combined gross **adjusted monthly income** of all of the members of the **applicant**

**household** on the date the application is approved must not exceed thirty (30) percent of

the area median income for a **household** of comparable size as most recently published by

the United States Department of Housing and Urban Development.

2.3 Rent Cost Limitation

The **contract rent** for the eligible **rental unit** occupied by the **household** must not exceed

110% of the **Fair Market Rent** for a **suitably sized unit** as most recently published by the

United States Department of Housing and Urban Development.

2.4 Lease Requirements

A. Each **household** must have a written rental lease agreement, executed by the landlord

and the **household**, that complies with the provisions of Montgomery County Code,

Chapter 29, Landlord-Tenant Relations. If the **household** is subletting a **rental unit**,

then the primary lessee must have a written agreement with the property owner

permitting the primary lessee to sublet.
B. Single persons residing together must have individual leases with the property owners or primary lessee in order to be considered as separate households for the purposes of determining Program eligibility. Otherwise, all persons must be considered as one household and must meet all eligibility criteria.

2.5 Service Agreement Requirements

A. All Program benefit payment recipients must have a written service agreement signed by the service coordinator and the recipient. Household members who are 18 years of age or older may also be required to sign an individual service agreement, or be a party to the recipient’s service agreement, as determined appropriate by the service coordinator.

B. The service agreement must include, at a minimum:

1. a detailed list of the tasks and responsibilities required of the recipient and any other party to the agreement to ensure that housing is maintained;

2. requirements for Program participation, such as eligibility criteria, benefit payment limits, reapplication requirements, grievance procedures and termination policies;

3. procedures for paying the household’s monthly tenant rent responsibility, including the date by which the tenant rent responsibility is due; and
4. requirement that **benefit payment recipients** must apply, when available, to receive Housing and Urban Development Housing Choice Voucher or Public Housing benefits and may not continue to receive **Program benefit payments** if approved to receive an equivalent rental assistance subsidy from another local, state or federal housing subsidy program.

2.6 **Asset Limits**

The value of the **assets** of all of the members of the **household** must not exceed the **asset standards** established by the Code of Maryland Regulations (COMAR), 10.09.24.08 (M), Consideration of Resources, Schedule MA-2, Medically Needy Resource Standard.

Section 3

**Application, Eligible List and Reapplication**

3.1 **Application Procedure**

A. In order to be considered for the **Program**, the referring **service provider agency**, together with the **applicant**, must submit an application on a form provided by the **Department**, which is signed by both the **applicant** and the **service provider agency**. Supporting documentation and information verifying **household** income and **assets** must be submitted with the application and the **applicant** must certify in writing on the application, or on an accompanying form, that all information reported on the application form is accurate and true.
B. The applicant, and all members of the household 18 years of age or older, must sign a release of information form permitting the Department to perform a criminal background check and screening through the National Sex Offender Registry.

C. The applicant, and the referring service provider agency, must submit any information determined by the Department as necessary to verify that all Program eligibility criteria have been met. At a minimum, the following documentation must be submitted for each household member as determined to be applicable by the Department:

1. A copy of the most recent Federal tax return, including a copy of all income and interest statements.

2. Financial statements documenting assets and indicating interest or dividends earned and principal account balances.

3. Documentation of wages, tips and other income for at least 30 days preceding the date of application.

4. Any other information required by the Department to determine if all standards of eligibility have been met.

D. The applicant must submit one of the following for each household member, as determined applicable by the Department, to prove eligible immigration status:

1. Resident alien card;
2. resident alien receipt card;
3. arrival/departure record;
4. temporary resident card;
5. employment authorization card; or
6. receipt issued by the United States Citizenship and Immigration Services for the replacement of documentation to provide eligible immigration status.

3.2 Application Review

Within 30 calendar days after receipt of the signed application and all documentation requested by the Department, the Department must approve or deny each application and send written notification to the applicant and the referring service provider agency of the application status.

3.3 Applicant Eligible List

A. Each applicant determined by the Department to be eligible for benefit payments will be given a score based upon certain characteristics of the applicant's household that assess how critical their need is for supportive housing. The Department will publish the assessment tool and apply the tool uniformly to all eligible applicants.

The Department will give the Montgomery County Council advance written notice of any changes to the assessment tool.

B. Applicants with the highest score will receive first priority to receive Program benefit payments.
C. Applicants with the lowest percentage of area median income for a household of comparable size will receive highest priority among applicants with identical scores.

D. When all Program funds have been expended, applicants will remain on the eligible list until Program funds become available.

E. Applicants who have applied for or who are on a federal, state or other local housing program waiting list, may not be:
   1. refused placement on the Program eligible list;
   2. removed from the Program eligible list; or
   3. given a lower ranking on the Program eligible list than they are otherwise qualified to receive.

F. An applicant on the eligible list may be subject to eligibility re-determination.

3.4 Approval

A. The Department will notify the applicant and the referring service provider agency in writing of the applicant’s status on the eligible list. When funds for benefit payments are available, a contract service coordinator will be identified by the Department to work with the applicant.

B. When a rental unit is found, the service coordinator, together with the applicant, must submit a request for approval of the rental unit to the Department. The Department will review the rental unit request to ensure that the rental unit:
1. conforms to the definition of a rental unit as defined in Section 1.1, U. of this regulation;

2. meets the suitably sized unit standard for the appropriate number of bedrooms needed for the household size;

3. conforms to the rent cost limitation as outlined in Section 2.3 of this regulation; and

4. conforms to the lease requirements as outlined in Section 2.4 of this regulation.

C. Upon approval of the rental unit by the Department, a copy of the executed lease agreement must be submitted to the Department. The Department will determine the amount of the benefit payment in accordance with Section 4 of these regulations.

D. The household may lease an eligible rental unit with fewer bedrooms than the suitably sized unit standard for their household size; however the eligible rental unit must meet all other applicable space requirements.

E. The household may not lease an eligible rental unit with more bedrooms than the household size standard.

F. An approved applicant must occupy the approved rental unit as of the date that the benefit payment will commence.
G. An applicant’s benefit payment approval period will be for a maximum of 12 consecutive months. Benefit payments may be renewed by the Department upon reapplication by the recipient before the end of each benefit payment eligibility period.

H. Applicants on the eligible list and benefit payment recipients must apply, when available, to receive Housing and Urban Development Housing Choice Voucher or Public Housing benefits. Applicants on the Program eligible list and recipients of Program benefit payments may not continue to receive Program benefit payments if approved to receive an equivalent rental assistance subsidy from another local, state or federal housing subsidy program.

3.5 Reapplication

A. The service coordinator, together with the recipient, must reapply for benefit payments before the expiration of the recipient’s benefit payment eligibility period in accordance with deadlines and procedures established by the Department.

B. A recipient may not continue to receive benefit payments after the expiration of a benefit payment period unless the service coordinator, together with the recipient, reapplies for benefit payments during the eligibility period and the recipient household continues to meet the eligibility criteria then in effect.
C. A recipient's service coordinator must report to the Department within 30 days when any one of the following occurs:
   1. number of household members increases or decreases; or
   2. amount of contract rent increases or decreases.

D. A recipient's service coordinator must report to the Department immediately when any one of the following occurs:
   1. rental unit lease is terminated;
   2. household moves from the rental unit;
   3. recipient receives a notice of eviction; or
   4. recipient is away from the rental unit for more than 60 consecutive calendar days.

3.6 Application Denial

A. Applications must be denied based on a determination by the Department that the applicant does not meet one or more eligibility criteria as outlined in this regulation or has failed to provide adequate information or documentation with respect to one or more eligibility criteria.

B. An applicant who is denied benefit payments and the referring service provider agency must be notified in writing by the Department of the denial and the reason
for the denial within 30 calendar days after receipt of the signed application and all
documentation requested by the Department.

C. The written notice of denial must include:

1. the decision, the reasons for the decision, and regulations supporting the decision;
2. the right to request an informal case review;
3. the method by which a case review may be requested;
4. the right to be assisted by legal counsel, a relative, a friend, or other individual;
5. the right to appeal an unfavorable decision of a case review by requesting an
   administrative review hearing;
6. the right, upon request, to have an interpreter present in a case review and in an
   administrative review hearing; and
7. the waiver of the right to an administrative review hearing if a case review is not
   timely requested.

3.7 Applicant Case Review

A. An applicant has 30 calendar days from the date of the Department's notice of
denial to request a case review. The applicant may make the request to the
Department in writing, in person, or by electronic mail or fax simile.
B. A case review will consist of a review by the Program administrator of the oral and documentary information pertinent to the application and any information provided by the applicant relating to the denial of the application.

C. Within 15 calendar days of the case review, the Department must send the applicant and the service provider agency a notice of the decision from the case review. The notice must state the basis for the decision. If the decision is adverse to the applicant, the notice must state that the applicant has the right to appeal the decision by requesting an administrative review hearing. The Department must include a copy of the form for appealing the decision with the notice.

D. The Department must, upon request, assist an applicant with requesting a case review or an administrative review hearing and provide an interpreter to assist an applicant with requesting a case review or an administrative review hearing.

Section 4

Benefit Payment

4.1 Tenant Rent

A. The recipient will be responsible for paying the landlord an amount determined by the Department that is equal to 30% of the household gross adjusted monthly income.
B. If the recipient is responsible for payment of utilities separate from rent, a utility allowance will be deducted from the tenant rent responsibility. The amount of the utility allowance will be based on the same standard used to determine utility allowances for the Housing Choice Voucher Program as most recently published by the United States Department of Housing and Urban Development.

C. If the utility allowance deduction is greater than the total tenant rent responsibility, the negative balance will be paid by the Department to the recipient to assist with the payment of monthly utility costs.

4.2 Benefit Payment Calculation

A. The benefit payment to the landlord by the Department will be the difference between the contract rent and the tenant rent responsibility.

B. Mixed Households will receive a prorated benefit payment reduced by the percentage of household members who are not legal residents.

4.3 Benefit Payment Limits

A. No payments from Program funds will be made for security deposits or other expenses.

B. Only one household per eligible rental unit may receive benefit payments.

C. A recipient, or any household member, cannot receive any federal, state or local housing program subsidy in addition to a Program benefit payment.
4.4 Benefit Payment

A. Benefit payments may only be paid to the landlord on behalf of a recipient during the lease term.

B. The first benefit payment will be made in the month the lease term date begins and will be prorated for the first month from the date the lease term commences until the end of that month. Benefit payments will be paid monthly thereafter through the end of the month that the recipient household moves out of the rental unit or until such time as the Department determines the recipient is no longer eligible for benefit payments.

C. If the landlord has commenced the process to evict the recipient household, and if the recipient household continues to reside in the rental unit, the Department will continue to make benefit payments to the landlord until the rental unit is vacant or the Department determines that the recipient is no longer eligible for benefit payments.

D. When a recipient household moves out of the rental unit, or the recipient household's benefit payment is terminated, the Department will not make a benefit payment to the landlord after the month the household moves out. The landlord may retain the benefit payment for the month the household moves out of the rental unit regardless of the date of the month the household vacates the rental unit.

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E. If a recipient household’s service provider agency remains liable for rent costs until the end of the recipient household’s lease term, the County will reimburse the service provider agency for rent cost for that recipient household for the month after the recipient household moves out of the rental unit or the month after the recipient household’s benefit payment is terminated.

4.5 Payment Upon Institutionalization or Upon Death

A. If a recipient dies or becomes institutionalized, and is a member of a household with additional persons over 18 years old, benefit payments may be paid by the Department on behalf of the adult household member until the expiration of the current eligibility period, or as long as all of the remaining household members continue to reside in the unit, whichever comes first.

B. If a recipient is a one person household and becomes institutionalized for more than 60 consecutive days, the Department, in conjunction with the service coordinator, will assess the recipient’s individual situation to determine the appropriateness of continuing benefit payments until the expiration of the recipient’s current eligibility period.

4.6 Availability of Benefit Payments

Benefit payments are subject to the availability of Program funds appropriated and any limitations set by the County Executive on the number of Program recipients.
Section 5

Discontinuation of Benefit Payments and Program Participation Termination

5.1 The Department may discontinue benefit payments or terminate the recipient from participation in the Program under the following circumstances.

A. The Department may immediately discontinue benefit payments when any one of the following occur:

1. recipient notifies the Department that assistance is no longer required; or
2. Department is notified that recipient is no longer residing in the eligible rental unit, except when the recipient is temporarily absent from the rental unit because of institutionalization.

B. The Department may discontinue benefit payments and terminate the recipient from Program participation when any one of the following occur:

1. household no longer meets all eligibility requirements;
2. recipient or any household member fails to provide information required to determine continued eligibility recertification;
3. recipient fails to reapply for Program benefit payments before the end of their current eligibility period;
4. recipient household is evicted from the rental unit;
5. lease is terminated by the landlord or the recipient household; or
6. **recipient** or any member of the **household** violates the terms of their service agreement.

C. The **Department** may discontinue **benefit payments**, terminate the **recipient** from the **Program**, and exclude the **recipient** from future **Program** participation for any one of the following reasons:

1. **recipient**, or any **household** member, has improperly obtained **benefit payments** or improperly used **benefit payments**;

2. **recipient**, or any **household** member, is convicted of criminal activity that would adversely affect the health, safety or well-being of other persons or damage to the property.

3. If the **recipient**, or any **household** member, is the victim of domestic violence, dating violence or stalking, the **Department** may not discontinue **benefit payments** or terminate **Program** participation because of the violence committed against them.

5.2 A **recipient** who receives an adverse decision under any provision in this section may seek a review of the adverse decision in accordance with the procedures specified in this regulation.
Section 6

Waiver Authority

6.1 Waivers

The Director may waive any Program requirement upon a finding of good cause.

6.2 Waiver Procedures

All waivers must be requested in writing and must clearly state the requirement for which the waiver is being requested. Upon a finding of good cause, the Director may grant a waiver, which must be in writing, and must clearly state the reason the requirement is being waived.

Section 7

Penalties

7.1 Falsification of Information

Any person who knowingly makes or helps another person to make a false or misleading statement in order to obtain benefit payments:

A. upon conviction shall be guilty of a Class A violation;

B. may be required to repay the County any Program benefit payment improperly paid in reliance on the false or misleading statement; and
C. may be required to pay the County interest on the total amount improperly paid at the rate of one percent per month on the outstanding balance owed until the total benefit payments improperly paid is repaid.

Section 8

Right of Recipient to In-Person Case Review

8.1 Notice to Recipient of Adverse Action

A. The Department must notify a recipient in writing of an adverse action and provide a copy to the service coordinator. An adverse action includes a denial of a reapplication for Program benefit payments, a decision that the recipient failed to provide documentation requested in a reapplication, a decision to suspend, discontinue, reduce, or terminate assistance, a decision to seek to recover an overpayment or over issuance of benefit payments, or a decision that the Program intends to take any adverse action listed in this regulation.

B. The notice of adverse action must include:

1. the decision, reasons for the decision, and regulations supporting the decision;
2. the right to request an in-person case review;
3. the method by which an in-person case review may be requested;
4. the right to be assisted by legal counsel, a relative, a friend, or other individual;
5. the right to appeal an unfavorable decision of an in-person case review by requesting an administrative review hearing;

6. the right, upon request, to have an interpreter present in any in-person case review or administrative review hearing; and

7. the waiver of the right to an administrative review hearing if a case review is not timely requested.

8.2. In-Person Case Reviews

A. A recipient has 30 calendar days from the date of the Department’s notice of adverse action to request an in-person case review. Such request must be made in writing or in person to the Program administrator. The Department must, upon request, assist a recipient with requesting an in-person case review and provide an interpreter to assist the recipient with requesting an in-person case review, and attend the in-person case review.

B. An in-person case review, consists of an informal in-person meeting of the recipient with the Program administrator. The Program administrator must review the oral and documentary information pertinent to the application, and must explain the basis for the proposed adverse action. The recipient must be provided the opportunity to present his or her reasons and explanation for why the adverse action is not warranted.
C. Within 15 calendar days of the in-person case review, the Program administrator must send the recipient a notice of the decision from the in-person case review. The notice must state the basis for the decision. If the decision is adverse to the recipient, the notice must state that the recipient has the right to appeal the decision by requesting an administrative review hearing. The Program administrator must include a copy of the form for appealing the decision with the notice.

Section 9

Administrative Review Hearing

9.1 Appeals by Applicants and Recipients

A. An applicant, or recipient, who requested a case review in a timely manner, may appeal an adverse case review decision by filing a written request for an administrative review hearing with the Department within 30 calendar days of the date of the notice of the adverse case review decision. Such request must be on a form provided by the Department with the notice of the adverse case review decision.

B. The Department must, upon request, assist an applicant or a recipient with requesting an administrative review hearing or provide an interpreter to assist the applicant or recipient with requesting an administrative review hearing, and attend the administrative review hearing.
9.2 Conduct of the Administrative Review Hearing

The Director will conduct the administrative review hearing. During the administrative review hearing, the Director must review the decision of the Program administrator, the relevant Program file, and the record of the case review. The Director must also hear and consider materials presented and arguments made by the appellant as to why the decision of the Program administrator is in error and should be reversed. The Director must conduct the hearing in a fair, even-handed manner, giving the appellant an adequate opportunity to fully present the appellant’s case, with due regard for the appellant’s education, experience and communication skills.

Section 10

Implementation of an Adverse Action Against Recipients

10.1 Except as provided in Section 5, 5.1, A of this regulation, no adverse action must be taken against a recipient until the expiration of the following periods, to the extent applicable:

A. the period for requesting an in-person case review;
B. the appeal period following an adverse decision in an in-person case review; or
C. issuance of the decision in an administrative review hearing.

10.2 Except as provided in Section 7 of this regulation, a recipient will incur no repayment liability until, as applicable, the later of the date of:
A. the notice of the decision in the in-person case review; or

B. the decision in the administrative review hearing.

Section 11

Legal Challenge

11.1 If an applicant or recipient is aggrieved by a final decision of the Department in an administrative review hearing, that applicant, or recipient, may file an original complaint in the Circuit Court for Montgomery County, Maryland.

Section 12

Effective Date

12.1 This regulation takes effect immediately upon the adoption of a resolution of approval by the County Council.

Douglas M. Duncan, County Executive

Date

Approved as to Form and Legality

Office of the County Attorney

By: Anne T. Winkle Date: 9/28/06

Revised 4/96