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Governor

**Commonwealth of Massachusetts**  
*Executive Office of Health and Human Services*  
**Department of Transitional Assistance**  
600 Washington Street • Boston MA 02111

William D. O'Leary  
Secretary

Claire McIntire  
Commissioner

**Field Operations Memo 98-35**  
**September 14, 1998**

**TO: Transitional Assistance Office Staff**  
**FROM: Joyce Sampson, Assistant Commissioner for Field Operations**  
**RE: Rent Disbursement and Repayment Agreement**

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**Purpose**

The Department will authorize a rent disbursement to a TAFDC recipient or EAEDC family to prevent homelessness under certain circumstances. The rent disbursement is for the purpose of obtaining an apartment when the recipient is a current resident of a temporary emergency shelter or has been evicted from his or her current residence and is about to become homeless.

Note: The rent disbursement is **not** to be used in place of EA for rent arrearages of a recipient's current residence.

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**Qualifying for  
a Rent  
Disbursement**

To qualify for a rent disbursement, a recipient must:

- 1) be a current resident of a temporary emergency shelter,  
or
- 2) have a court-ordered judgment for eviction or constable notice verifying imminent eviction.

Note: Fourteen Day Notices to Quit and/or written threats of eviction from the landlord are not acceptable verifications.

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**Rent  
Disbursement  
and  
Repayment  
Agreement  
(RD-RA) Form  
Terms**

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The *Rent Disbursement and Repayment Agreement (RD-RA)* form (see Attachment A) includes the following terms:

1. For recipients who are **not** residents of a temporary emergency shelter, the total of the monthly rent and the monthly repayment amount may not exceed 80 percent of the amount of the assistance unit's current monthly grant.

For recipients who **are** residents of a temporary emergency shelter, the total of the monthly rent and the monthly repayment amount may not exceed 80 percent of the total of the assistance unit's current monthly grant plus the amount of any income-in-kind which will be restored to the assistance unit when they are again paying rent and/or utilities.

2. The recipient must provide written verification from the landlord of: (a) the address of the apartment, (b) the amount of the rent, and (c) that the landlord will accept an Invoice for Special Services from the Department for the first month's rent payment on the *Landlord Verification for Rent Disbursement (LV-RD)* form (see Attachment B).
3. The rent disbursement must be repaid within 12 months, however, if the recipient is subject to the 24-month time limit and has less than 12 months remaining, the recipient must agree to repay the rent disbursement before his or her 24-month time limit has expired.
4. The rent disbursement must be repaid in full before another rent disbursement may be approved.

Note: The Transitional Assistance Worker must call the Centralized Recoupment Unit at (617) 348-5045 to verify that any previous rent disbursement has been repaid in full before a new rent disbursement may be approved.

5. In the event that the recipient's grant is reduced to less than the repayment amount or the case is closed before the rent disbursement is repaid in full, any remaining balance may be recouped in accordance with the Transitional Cash Assistance Programs regulations 106 CMR 706.200 through 706.295.
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**Rent Disbursement and Repayment Agreement (RD-RA) Form (Cont.)**

6. Only the calculation of the grant decrease is appealable. The terms of the rent disbursement and repayment agreement are not appealable.
7. The assistance unit must agree to protective vendor rent payments if possible, beginning with the month following the rent disbursement.

**Determining the Amounts of the Monthly Repayment and the Rent Disbursement**

The amount of the monthly repayment and the amount of the rent disbursement are determined as follows.

- Determining the repayment amount
  - > If the recipient is not subject to the 24-month time limit, or if the recipient is subject to the 24-month time limit and has 12 or more months remaining, divide the amount of the rent for the new apartment by 12 months to determine the monthly repayment amount.
  - > If the recipient is subject to the 24-month time limit and has less than 12 months remaining, divide the amount of the rent for the new apartment by the number of months remaining to determine the monthly repayment amount.

Note: A recipient may choose to repay the rent disbursement in fewer months.

- Determining the rent disbursement amount
  - > Multiply the monthly grant amount by 80 percent (.80). Subtract the monthly repayment amount from 80 percent of the assistance unit's grant to determine the balance available for rent disbursement.
  - > If the amount of the rent is equal to or less than the balance of 80 percent of the grant, the rent disbursement may be approved if all other conditions have been met.
  - > If the amount of the rent exceeds the balance of 80 percent of the grant, the rent disbursement must be denied using the Rent Disbursement Approval/Denial letter (See Attachment C).

**Determining  
the Amounts  
of the Monthly  
Repayment  
and the Rent  
Disbursement  
(cont.)**

**Example:** Mrs. Brown and her two children ages one and three are currently exempt from the time-limited benefits and reduced Need and Payment Standards. She receives a monthly grant of \$579. She has requested a rent disbursement of \$400.

Determine the repayment amount by dividing the rent amount (\$400) by 12 months. The repayment amount equals \$33.33.

Multiply the monthly grant amount by 80 percent (.80). Eighty percent equals \$463.20.

Subtract the monthly repayment amount from 80 percent of the assistance unit's monthly grant to determine the balance available for rent. \$463.20 - 33.33 equals \$429.87.

Since the rent amount (\$400 is less than the balance of 80 percent of the grant (\$429.87), the rent disbursement may be approved if all other conditions have been met.

In this example, Mrs. Brown's monthly grant would be:

\$400.00	monthly vendor rent payment
33.33	monthly repayment amount for 12 months
145.67	remainder of monthly grant
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\$579.00	

**Completing  
the RD-RA  
Form**

The RD-RA form must be completed and signed by both the recipient and the Transitional Assistance Worker and then approved by the Transitional Assistance Office Director or designee.

The pink copy of the RD-RA form is given to the recipient. The yellow copy is filed in the case record. The white copy is mailed (not faxed) to:

Contracts and Recoveries  
600 Washington Street  
Boston, MA 02111

**Approval and Payment of the Rent Disbursement**

The rent disbursement must not be approved until after the verifications have been submitted and the RD-RA form is approved.

An approved rent disbursement must be paid through the Special Services Payment System (SSPS) using **Benefit Code O and Procedure Code 445**. The Transitional Assistance Worker must complete an Invoice for Special Services and a *Rent Disbursement Approval/Denial (RD-AD)* form (See Attachment C) approving the request for a rent disbursement.

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**Denial of the Rent Disbursement**

The Transitional Assistance Worker must complete an RD-AD denying the request for a rent disbursement if: (a) the recipient fails to provide the required written verification from the landlord, (b) the recipient does not agree to the terms of the rent disbursement, or (c) the total of the monthly repayment and the monthly rent exceed the assistance unit's grant.

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**Protective Vendor Rent Payments**

If possible, a recipient who has been approved for a rent disbursement is to be put on protective vendor rent payments. The Transitional Assistance Worker must complete a *Vendor Payments Vendor Notification Letter (VP/NFL-2)* and mail it to the new landlord and establish protective vendor rent payments on PACES and SSPS.

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**Recoupment**

Contracts and Recoveries is responsible for entering the recoupment onto PACES and ensuring the repayment of the rent disbursement.

Note: Recoupment of a rent disbursement does **not** affect food stamp benefits.

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**Impact on Food Stamp Benefits**

The amount of the repayment is not considered a rental expense when calculating food stamp benefits. Only the actual rent paid to the landlord is to be used in the calculation.

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**Questions**

If you have any questions, please have your Hotline designee call the Policy Hotline at (617) 348-8478.

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TAO # \_\_\_\_\_

TAO Address \_\_\_\_\_



Commonwealth of Massachusetts  
Department of Transitional Assistance

### Rent Disbursement and Repayment Agreement

\_\_\_\_\_  
Name

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
City/Town State ZIP

\_\_\_\_\_  
Category

I, \_\_\_\_\_, request a rent disbursement in the amount of \$ \_\_\_\_\_

for rent at \_\_\_\_\_  
Street Address City/Town

The rent disbursement is for the purpose of obtaining an apartment to prevent homelessness due to the eviction from your current residence or because you are currently residing in a temporary emergency shelter. It cannot be used to pay rent arrearages at your current residence.

The following terms apply to this agreement:

1. I am responsible for providing written verification from the new landlord, of the address of the apartment, the amount of the rent and that the landlord will accept an Invoice for Special Services from the Department for the first month's rent payment.
2. The total of the monthly rent and the monthly repayment may not exceed 80 percent of my monthly grant.
3. The rent disbursement must be paid back in full before another rent disbursement may be approved.
4. The rent disbursement must be repaid within 12 months. If I am subject to the 24-month time limit and have less than 12 months remaining, the rent disbursement must be paid back in full before my 24-month time limit has expired.
5. In the event that my grant is reduced to less than my repayment amount or my case is closed before the rent disbursement is paid back in full, any remaining balance may be recouped in accordance with the Transitional Cash Assistance Programs regulations 106 CMR 706.200 through 706.295.
6. The rent disbursement will be issued on an Invoice for Special Services made payable to the landlord.
7. The terms of the rent disbursement are not appealable.
8. I agree to protective vendor rent payments, if possible.

I have read, understand and agree to all of the above terms. I agree to repay the amount of the rent disbursement by having \$ \_\_\_\_\_ deducted from my assistance grant each month beginning \_\_\_\_\_ until paid in full.  
Date

\_\_\_\_\_  
Signature of Recipient

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Worker

\_\_\_\_\_  
Date

\_\_\_\_\_  
Approved by: Signature of Director or Designee

\_\_\_\_\_  
Date



Commonwealth of Massachusetts  
Department of Transitional Assistance

### Landlord Verification for Rent Disbursement

I agree to rent an apartment to \_\_\_\_\_  
Recipient Name (Please Print)

at \_\_\_\_\_  
Street Address City/Town State ZIP

beginning \_\_\_\_\_ for \$ \_\_\_\_\_ per month.

I agree to accept an Invoice for Special Services, from the Department of Transitional Assistance, for the first month's rent payment.

\_\_\_\_\_  
Landlord Name (Please Print)

\_\_\_\_\_  
Landlord Signature

\_\_\_\_\_  
Landlord Street Address

\_\_\_\_\_  
City/Town State ZIP



Commonwealth of Massachusetts  
Department of Transitional Assistance

### Rent Disbursement Approval/Denial

TAO # \_\_\_\_\_

\_\_\_\_\_  
TAO Address

\_\_\_\_\_  
Recipient Name

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City/Town

\_\_\_\_\_  
State

\_\_\_\_\_  
ZIP

Your request for Rent Disbursement is approved.

Your request for Rent Disbursement is denied.

Reason for denial \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature of Worker

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Supervisor

\_\_\_\_\_  
Date