

# Bill as Introduced

HOUSE BILL

**1218-LOCAL**

AN ACT

requiring local welfare departments to notify a landlord whose welfare recipient tenant has requested that the welfare department stop sending rent checks to the landlord.

SPONSORS: Rep. Christie, Rock 22; Rep. E. Scanlon, Rock 19

COMMITTEE: Municipal and County Government

---

ANALYSIS

This bill requires local welfare departments to notify a landlord whose welfare recipient tenant has requested that the welfare department stop sending checks to the landlord.

-----

EXPLANATION: Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears in [brackets].  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

HB 1218-LOCAL

STATE OF NEW HAMPSHIRE

In the year of Our Lord  
One Thousand Nine Hundred and Ninety-Six

AN ACT

requiring local welfare departments to notify a landlord whose  
welfare recipient tenant has requested that the welfare  
department stop sending rent checks to the landlord.

Be it Enacted by the Senate and House of Representatives  
in General Court convened:

- 1           1 New Section; Notification to Landlord Required for Termination of Rent Assistance. Amend RSA
- 2 165 by inserting after section 4-b the following new section:
- 3           165:4-c Notification Required for Termination of Rents Paid by the Municipality to Landlord.
- 4 Whenever a person receiving assistance under this chapter requests the termination of rent payments
- 5 to the owner of the property, the municipality shall inform the owner of the rental property of such
- 6 termination within 2 business days.
- 7           2 Effective Date. This act shall take effect 60 days after its passage.

# Speakers



# Hearing Minutes

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

PUBLIC HEARING on HB 1218-L

**BILL TITLE:** requiring local welfare departments to notify a landlord whose welfare recipient tenant has requested that the welfare department stop sending rent checks to the landlord.

**DATE:** January 18, 1996

**LOB ROOM:** 211      **Time Public Hearing Called to Order:** 2:00 p.m.

**Time Adjourned:** 2:50 p.m.

(please circle if present)

**Committee Members:** Reps. Behrens, Metzger, Godden, P. Cote, Rice, Cepaitis, Fesh, Lovejoy, Noyes, Putnam, Weeks, Brundige, MacKay, Patten, Sabella, L. Foster, Daneault, Lefebvre, McGuirk, Fraser and Whipple

**Bill Sponsors:** Rep. Christie, Rock 22; Rep. E. Scanlon, Rock 19

TESTIMONY

\* Use asterisk if written testimony and/or amendments are submitted.

Rep. Andrew Christie, Jr. (Rock 22), prime sponsor, said he introduced the bill at the request of constituents. Purpose is to make welfare agencies notify landlords when rent is no longer being paid, thereby helping to deal with a problem for landlords of getting paid what's due them.

Rep. Edward J. Scanlon (Rock 19), co-sponsor, explained the problem landlords are running into. Confidentiality laws, so that landlord can only talk to the tenant. When welfare stops paying client, landlord is left with an apartment for which there is no money available to pay rent, and cannot get explanation for why.

Effect is that, sometimes, serious damage is done to an apartment occupied by tenant who does not intend to pay rent.

Q (Lefebvre) Does welfare ever deny payment?

A Welfare can stop at any time. Tenant has already been living in the apartment for two weeks before you get the first check.

Q (Lefebvre) Is it possible to have check mailed directly to landlord?

A Towns may do it, but state does not.

Q (Fesh) Why would tenants object to having the check go directly to the landlord?

A Some do not intend to pay the rent. They may leave in the middle of the night.

Q (Brundige) If individual (tenant) already has the check, what good does that do you?

A It does no good, but at least landlord has the knowledge about when he can expect them to be leaving.

Q (Whipple) Do you want bill to effect state?

A Yes. I don't have any problem with the municipality.

Q (Fesh) Does it include section 8 housing?

A That is a federal program, and we have no problem with it whatsoever.

Atty. Judy Silva, representing NHMA, had difficulty with determining her position, because bill does not effect local welfare, NHMA's area of concern. However, discussed some technical points. May need to change some RSA references.

Q (Metzger) If we made the changes would NHMA support?

A We would have no objections.

William Stergios, representing the New Hampshire Property Owners' Association, spoke in support. Bill needs some changes to clarify. Agreed with Silva re RSAs.

Tenants have a real advance notice when rent payment are going to stop. Landlords may not. Sometimes takes three or four months to get the tenant out. They get that much rent free, and their attitude toward the property reflects it.

Would support bill to mandate payment directly to landlord. Many landlords would reduce rent a little to help pay for the reformed program. Would be more than happy to cover the cost of direct payment. Bill calling for direct payment killed last year. He would support such a bill. It was SB 134. Called for direct payment (to the extent possible). Prime sponsor was Sen. Lovejoy.

Raymond Houle, of Manchester, spoke in support of the bill. Would like to go a step further. Some state welfare workers have said "I'm not the person to talk with," when he raised the matter with them. His problem is going to the wrong person to deal with his problems.



Is it possible to have a requirement that all rent portion of welfare payment go directly to the landlord? Related as background: unethical conduct proposed to him, which made him suspicious. Investigated. Cases in which there are several families which try to get landlords to say four different families are occupying the same apartment -- all of whom would be getting a check.

There are cases where families give Massachusetts addresses, in both Lawrence and Lowell. There are cases where you see a lot of money floating around. Evidence people are using bogus names and social security cards, licenses. Tax dollars are going fraudulently to undeserved places. Believes there are cases where single family is getting four different checks.

Had one suggestion for solution: Procedure for mailing rent checks directly to the landlord, with 1099s sent to the IRS to preserve an accountability record.

He does have good tenants on welfare. They deserve protection of the program's viability. There is such a huge credibility gap that it is frustrating.

Q (Lefebvre) When asked to fill out fraudulent forms, were you offered a "reward?"

A Reward would have been four checks for the same apartment. Nothing in addition offered. But checks would go to the recipient, so no assurance landlord would get them. Tenants get them and keep them.

If check went directly to landlord, it would be possible to keep better overall records. Accountability to state, federal, agencies. State could mail 1099s to government reflecting all rent paid. Landlords would have to balance their accounts. Would make a better total record.

Alex Feldvebel, an attorney with New Hampshire Legal Assistance, spoke in opposition to the bill. He wanted to address initial proposed amendment making it apply to state welfare. There are reasons to do it, reasons not to.

Now possible for state checks to be mandated directly to landlord. The bill could require landlords to be very quickly notified of any changes. Would mean better relationship between AFDC and landlords. But it has to be balanced against administrative burden. Also against federal/state privacy laws. He believes privacy is the main concern.

Another consideration: What does it really give the landlord to have the information? He cannot take any action. Possible that it would give him a "running start," but he cannot do anything until rent becomes due and is not paid.

There are potential abuses on each side. Reviewed earlier consideration of similar bills in previous sessions. Mandating check to landlords would deprive tenant of legally justifiable withholding of rent payments.

There is not a great deal of fraud going on in New Hampshire. There have been "sweeps" to guard against it, but they have turned up relatively few abuses.

Q (Lefebvre) How can tenant make a good apartment uninhabitable in a few months?

A It can happen.

Rickey Blais of Bedford, a landlord, spoke in support of the bill. Bill would provide a sense of security for the vendor. Explained cases where abuses occur. There is a delay in delivery of checks by mail. Sees no violation of privacy in rent check's being mailed to the landlord.

Landlords have problems, too. Does not believe writing and mailing two checks a month should represent major costs. Landlords would be glad to bear some share. There are a lot of good quality people out there, who need help, and landlords are willing to do their share. But when you've been burned often enough . . .

Gene Gayda, president of NHPOA, admitted he was speaking in anger, because of the belittling of landlords. We don't have a WE vs THEM attitude. We need to realize landlords are honest business people. Most of them small-business people. The large, Mega-owner is not who's involved in this.

Alex Feldvebel, a second time, added one more reason to mail checks to landlords. If check does not arrive, landlord would know there was a problem to be investigated.

Q (Patten) When tenant is in arrears, is there immediate eviction process started?

A Yes. Landlord must give tenant seven days to respond.

Gayda a second time. Seven days is incorrect. Should be 57 days.

Q (Lefebvre) Do landlords have a written contract?

A Yes.

There being no further testimony, the hearing was closed at 2:50 p.m.

Respectfully submitted,

  
Richard Noyes, Clerk

# Voting Sheets

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

EXECUTIVE SESSION on HB 1218-L

**BILL TITLE:** requiring local welfare departments to notify a landlord whose welfare recipient tenant has requested that the welfare department stop sending rent checks to the landlord.

**DATE:** *July 24, 1996*

**LOB ROOM:** 211

Amendments:

Sponsor:	OLS Document #:	Adopted/Failed
Sponsor:	OLS Document #:	Adopted/Failed
Sponsor:	OLS Document #:	Adopted/Failed

Motion: OTP, OTP/A, ITL Re-Refer, Interim Study (please circle one)

Moved by Rep. *Riel*

Seconded by Rep. *Mzckey*

Vote: (Please attach record of roll call vote)

*10-5*

Motion: OTP, OTP/A, ITL, Re-Refer, Interim Study (please circle one)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote)

CONSENT CALENDAR VOTE: *NO*

(Vote to place on Consent Calendar must be unanimous)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

*Richard Noyes*  
Rep. Richard Noyes, Clerk

Bill # HB 1218-L, Rice motion, ITL

Public Hearings Jan 18, 1996

Executive Session Jan 24, 1996

COMMITTEE REPORT: ITL, 10-5

	YEAS	NAYS
Behrens, Thomas A., Chairman		✓
Metzger, Katherine H., V Chairman	✓	
Golden, Paul A. <u>ABSENT</u>		
Cote, Patricia L.	✓	
Rice, Thomas E. P., Jr.	✓	
Cepaitis, Elizabeth A. <u>Not voting, Conflict</u>		
Fesh, Robert M.	✓	
Lovejoy, Marian E. <u>ABSENT</u>		
Noyes, Richard, Clerk		✓
Putnam, Ed M., II		✓
Weeks, John F., Jr. <u>ABSENT</u>		
Brundige, Robert W.	✓	
MacKay, James R.	✓	
Patten, Betsey L. <u>ABSENT</u>		
Sabella, Norma A. <u>ABSENT</u>		
Foster, Linda T.	✓	
Daneault, Gabriel J.	✓	
Lefebvre, Roland J.		✓
McGuirk, Paul A.	✓	
Fraser, Marilyn A.		✓
Whipple, Allen L.	✓	
<b>TOTAL VOTE</b>	<b>10-5</b>	

Appeared in Favor	Appeared in Opposition
-------------------	------------------------

# Committee Report

**COMMITTEE REPORT**

**COMMITTEE: MUNICIPAL AND COUNTY GOVERNMENT**

**BILL NUMBER: HB 1218-L**

**TITLE: requiring local welfare departments to notify a landlord whose welfare recipient tenant has requested that the welfare department stop sending rent checks to the landlord.**

**DATE: January 24, 1996 CONSENT CALENDAR YES \_\_\_\_\_ NO X**

       **OUGHT TO PASS**

       **OUGHT TO PASS WITH AMENDMENT**

  \* **INEXPEDIENT TO LEGISLATE**

       **RE-REFER**

       **REFER TO COMMITTEE FOR INTERIM STUDY**

**(AVAILABLE ONLY IN SECOND YEAR OF BIENNIUM)**

**STATEMENT OF INTENT**

**(Include Committee Vote)**

The committee feels that this would be a mandate on the communities, and that the community should in no way be involved in any form as guarantee or assurance of income to private business, and that this subject is best addressed by rule-making at Health and Human Services, if it should be addressed at all.

Vote 10-5.

**Rep. Thomas E. P. Rice, Jr.  
FOR THE COMMITTEE**

**Original: House Clerk  
cc: Committee Bill file**

**USE ANOTHER REPORT FOR MINORITY REPORT**

**MUNICIPAL AND COUNTY GOVERNMENT**

HB 1218-L, requiring local welfare departments to notify a landlord whose welfare recipient tenant has requested that the welfare department stop sending rent checks to the landlord. INEXPEDIENT TO LEGISLATE

Rep. Thomas E. P. Rice, Jr. for Municipal and County Government: The committee feels that this would be a mandate on the communities, and that the community should in no way be involved in any form as guarantee or assurance of income to private business, and that this subject is best addressed by rule-making at Health and Human Services, if it should be addressed at all. Vote 10-5.



6986g  
JK

COMMITTEE: MUNICIPAL AND COUNTY GOVERNMENT

NUMBER OF BILL HB 1218-L

DATE: 1/24/96 CONSENT CALENDAR YES      NO

SHOULD PASS ~~10-5~~

SHOULD PASS WITH AMENDMENT     

INEXPEDIENT TO LEGISLATE 10-5

RE-REFER     

REFER TO COMMITTEE FOR INTERIM STUDY     

(AVAILABLE ONLY IN SECOND YEAR OF BIENNIUM)

STATEMENT OF INTENT

(Include Committee Vote)

The committee feels that this would be a mandate on the committee, and that the community should in no way be involved in any form as guarantee or assurance of income to private business, and that this subject is best addressed by rule making by H. H. S. if it should be addressed at all.

The Fiscal Note calls for state expenditures of \$     

in FY90 and \$      in FY91. The Committee amendment increases/

decreases House expenditures.

Thomas Rice  
Signature

Original: House Clerk  
cc: Committee Bill file