



Commonwealth of Massachusetts
EXECUTIVE OFFICE OF HOUSING &
LIVABLE COMMUNITIES

Maura T. Healey, Governor ◆ Kimberley Driscoll, Lieutenant Governor ◆ Edward M. Augustus, Jr., Secretary

MRVP Notice FY24-04

To: All Local Housing Authorities (LHAs) and Regional Non-Profits (RAAs)
Administering the Massachusetts Rental Voucher Program (MRVP)
From: Cecilia Woodworth, Assistant Director, State Rental Assistance Programs
Subject: **MRVP Security Deposit Program**
Date: August 10, 2023

The Executive Office of Housing and Livable Communities (EOHLC) understands that upfront leasing costs makes it hard for many Massachusetts Rental Voucher Program (MRVP) participants to lease units. EOHLC has also seen that mitigating upfront leasing costs in can boost voucher utilization rates. Given current program resources and the continued need for MRVP participants to secure housing, **effective September 1, 2023, EOHLC is launching the MRVP Security Deposit Program. Eligible households with a mobile or project-based MRVP voucher will be eligible for one-time security deposit assistance.**

Participant Eligibility

A participant is eligible for one-time MRVP Security Deposit Program as long as a participant:

- Is in good standing with an Administering Agency (AA), meaning able to have a voucher issued to them either initially or at relocation;
- Is eligible to move to a new unit; and
- Has not received one-time security deposit assistance through the MRVP Security Deposit Program before during their household's participation in MRVP.

Unit Eligibility

A household may only receive security deposit assistance when they are moving into a **new unit** with either a mobile or project-based voucher. The new unit must first be approved by the AA. The new property owner must also request a security deposit on the MRVP Security Deposit Program Award Letter and Request Form (*attached*). No security deposits may be requested after a participant has moved into a unit or for any tenancies that began prior to September 1, 2023.

Cap on Security Deposit Assistance

A household may only receive security deposit assistance through the MRVP Security Deposit Program **one time** during the household's participation in MRVP. Even if there is a new head of household or a break-up in the household, security deposit assistance may only be received **once**.

Furthermore, as required by the [Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B](#), the security deposit cannot exceed one month's approved contract rent for the unit. Note that the final approved contract rent may be different than the security deposit amount requested on the MRVP Security Deposit Program Award Letter and Request Form.

Duplicate Security Deposit Payments

The AA, the participant, and the property owner all bear some responsibility for avoiding duplicate security deposit payments (meaning more than one party making payment for the same security deposit).

AA staff should communicate with the participant prior to lease-up to determine how the participant would like to cover the security deposit. For example, the participant must decide if they want to:

- a) pay the security deposit themselves;
- b) have it covered by the MRVP Security Deposit Program; or
- c) have it covered by some other assistance program like RAFT.

The participant is expected to disclose whether they have applied for funding through another assistance program, like RAFT, and withdraw their request for other funding if their preference is for the MRVP Security Deposit Program to cover the deposit.

If the property owner does receive two or more payments for the same security deposit, they are expected to repay the duplicative payment(s) to the appropriate payee.

Transfers

If the participant's MRVP voucher is transferred to another AA, the receiving AA will be responsible for paying the security deposit.

Security Deposit Request and Payment Process

Property owners may request a security deposit for a new unit by completing the MRVP Security Deposit Program Award Letter and Request Form. Property owners cannot request security deposits after the participant’s lease begins.

The AA shall review the unit for approval per standard MRVP regulations and policies. Once the unit and contract rent have been approved, the AA will:

1. Verify that the requested security deposit does not exceed one month’s approved contract rent. If the requested security deposit amount is too high, the AA must reduce the security deposit to equal one month’s approved contract rent.
2. Either add the security amount to the initial tenant rent share letter OR send a separate letter to the participant and property owner confirming payment of the security deposit and amount.
3. Pay the security deposit with the first subsidy payment. Remember that subsidy payments cannot be made until the AA has received a copy of the signed lease and MRVP Voucher Payment Contract.
4. Requisition for the security deposit by adding in the amount into the “Move In Fees” box under the correction allocation in the requisition system.

| A | B | C | D | |
|--|----------------------------|--|---|--|
| Leased Vouchers | Subsidy Current Month (\$) | Retro/Others (\$) <small>Enter Retro Amounts; Enter Insurance Transfer Fee in Retro Admin</small> | Utility & Move in Fees (\$) | Comments <small>Enter details of Insurance Transfer Fee, Security Deposits, and Other Retro</small> |
| <input type="text"/> | <input type="text"/> | Retro Subsidy: <input type="text"/> Retro Admin: <input type="text"/> Retro Services: <input type="text"/> | Move In Fees: <input type="text" value="\$3000"/> Utility Reimbursements: <input type="text"/> | <input type="text"/> |
| <input type="button" value="Save Data"/> | | | <input type="button" value="Clear"/> | |

5. When the participant moves out, the property owner will return any security deposit funds directly to the participant in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B.

Implementation

For participants with mobile vouchers that are actively in housing search, AAs shall send them a copy of the MRVP Security Deposit Program Award Letter and Request Form. For convenience, EOHLIC has attached an optional letter than AAs may use or edit that explains the MRVP Security Deposit Program.

As of September 1, 2023, when a mobile voucher is issued to a participant, either at initial eligibility or relocation, the AA shall:

1. Confirm whether the household has received assistance under the MRVP Security Deposit Program before.
2. If a household has not participated in the MRVP Security Deposit Program, the AA shall include the MRVP Security Deposit Program Award Letter and Request Form when issuing the voucher and sending all other leasing forms.

As of September 1, 2023, when working with project-based property owners on filling units, AAs shall alert them that MRVP may cover security deposits and send the property owner the MRVP Security Deposit Program Award Letter and Request Form.

AAs must, as soon as possible, develop internal tracking systems to track if and when households participate in the MRVP Security Deposit Program. Because households can only receive a security deposit **once** during the MRVP participation, this is extremely important.



MRVP SECURITY DEPOSIT PROGRAM AWARD LETTER AND REQUEST FORM

AA: _____

Date of Award: _____

Participant Name _____
Unit Address _____
Property Owner Name _____

This letter confirms that the above listed Participant has been issued an Massachusetts Rental Voucher Program (MRVP) Rental Assistance Voucher and is approved for the MRVP Security Deposit Program. The above-named Administering Agency (AA) intends to provide the security deposit in addition to ongoing monthly rental subsidy (equal to contract rent minus tenant's rent share) on behalf of the above-named Participant.

Table with 2 columns: Security Deposit Requested, Security Deposit \$, and checkbox N/A.

Property Owner Terms

By accepting MRVP Security Deposit Program funds, the owner acknowledges and accepts the following terms:

- I certify that I am the property owner (or authorized agent for the owner) of the above referenced property (Unit Address).
I understand that this award is contingent on approval of the above referenced property (Unit Address) and final negotiated contract rent, which may differ from the amounts listed above, by the AA per the standard MRVP program regulations and policies and on the completion of a fully signed lease, with MRVP Lease Addendum attached, and Voucher Payment Contract.
If the AA makes a security deposit payment on behalf of the Participant, I agree to comply with all landlord obligations in accordance with M.G.L., c.186 s. 15B. In accordance with said law, I will return any such security deposit, including any amounts paid on behalf of the Participant by the AA, to the Participant.
If the AA pays a security deposit on behalf of the Participant, I agree to return these funds to the AA should the Participant not move into the above referenced property.
I understand that MRVP funds are to be used only for an approved security deposit amount that is not paid by other sources of financial assistance. If the AA determines that the Participant has received financial assistance from another source to pay the same expenses paid by the MRVP security deposit program, I agree to repay the duplicative assistance as directed by the AA.
If I previously received any funds for security deposit directly from the Participant, I will return those duplicate payments directly to them.
Nothing in this Agreement precludes the owner/agent from using any and all remedies available under law, including the institution of eviction proceedings against the Participant, if the Participant fails to pay any future rent due after the date of this award or otherwise violates the terms of tenancy.

[to be placed on AA letterhead]

[Participant Name]

[Participant Address]

[Participant Address]

Dear [Participant],

[AA] is now able to offer participants in the Massachusetts Rental Voucher Program (MRVP) one-time security deposit assistance when moving into a new apartment. **As an MRVP participant actively looking for a unit, you are eligible for this one-time security deposit assistance.**

Some important things to know:

- MRVP can pay your full security deposit for a new unit. This benefit cannot be applied to a unit where you are currently living.
- As required by state law, the security deposit cannot be more than one month's approved contract rent.
- If the full security deposit is paid by another source, [AA] will not pay your security deposit. If only part of the security deposit is paid by another source, [AA] may pay the remainder of the security deposit.
- **Your household may only receive security deposit assistance through MRVP one time during your whole participation in MRVP.** Please also know that this program is dependent on funding availability and may be discontinued in the future.
- When you move out of the unit, the security deposit (minus any damages or unpaid rent, if applicable) should be returned to you, the tenant, in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B.
- You can find more information about the security deposit law at www.mass.gov/security-deposits.

A potential property owner must complete [AA]'s relocation packet, including the Request for Program Payment. **To receive the one-time security deposit assistance, the property owner must complete the enclosed MRVP Security Deposit Program Award Letter and Request Form.** AA will work with the property owner on payment.

If you have any questions, please contact [individual contact information].

Thank you,

[AA]