



House of Representatives

General Assembly

File No. 106

January Session, 2015

House Bill No. 6378

House of Representatives, March 19, 2015

The Committee on Veterans' Affairs reported through REP. HENNESSY of the 127th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT PROVIDING VETERANS' PREFERENCES IN THE RENTAL ASSISTANCE PROGRAM AND HOUSING AUTHORITY PROJECTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 8-345 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2015*):

3 (a) The Commissioner of Housing shall implement and administer a
4 program of rental assistance for low-income families living in
5 privately-owned rental housing. For the purposes of this section, a
6 low-income family is one whose income does not exceed fifty per cent
7 of the median family income for the area of the state in which such
8 family lives, as determined by the commissioner.

9 (b) Housing eligible for participation in the program shall comply
10 with applicable state and local health, housing, building and safety
11 codes.

12 (c) In addition to an element in which rental assistance certificates

13 are made available to qualified tenants, to be used in eligible housing
14 which such tenants are able to locate, the program may include a
15 housing support element in which rental assistance for tenants is
16 linked to participation by the property owner in other municipal, state
17 or federal housing repair, rehabilitation or financing programs. The
18 commissioner shall use rental assistance under this section so as to
19 encourage the preservation of existing housing and the revitalization
20 of neighborhoods or the creation of additional rental housing.

21 (d) The commissioner may designate a portion of the rental
22 assistance available under the program for tenant-based and project-
23 based supportive housing units. To the extent practicable rental
24 assistance for supportive housing shall adhere to the requirements of
25 the federal Housing Choice Voucher Program, 42 USC 1437f(o),
26 relative to calculating the tenant's share of the rent to be paid.

27 (e) The commissioner shall administer the program under this
28 section to promote housing choice for certificate holders and
29 encourage racial and economic integration. The commissioner shall
30 establish maximum rent levels for each municipality in a manner that
31 promotes the use of the program in all municipalities. Any certificate
32 issued pursuant to this section may be used for housing in any
33 municipality in the state. The commissioner shall inform certificate
34 holders that a certificate may be used in any municipality and, to the
35 extent practicable, the commissioner shall assist certificate holders in
36 finding housing in the municipality of their choice.

37 (f) Nothing in this section shall give any person a right to continued
38 receipt of rental assistance at any time that the program is not funded.

39 (g) As among applicants (1) who apply for the rental assistance
40 provided in this section on or after the effective date of this section, (2)
41 who are eligible for such assistance, and (3) whose needs for housing
42 accommodations are substantially equal, as determined by the
43 commissioner, preference shall be given to veterans who are
44 "preference eligible", as defined in 5 USC 2108, as amended from time
45 to time.

46 [(g)] (h) The commissioner shall adopt regulations in accordance
47 with the provisions of chapter 54 to carry out the purposes of this
48 section. The regulations shall establish maximum income eligibility
49 guidelines for such rental assistance and criteria for determining the
50 amount of rental assistance which shall be provided to eligible
51 families.

52 [(h)] (i) Any person aggrieved by a decision of the commissioner or
53 the commissioner's agent pursuant to the program under this section
54 shall have the right to a hearing in accordance with the provisions of
55 chapter 54.

56 Sec. 2. Section 8-45 of the general statutes is repealed and the
57 following is substituted in lieu thereof (*Effective October 1, 2015*):

58 (a) Each housing authority shall manage and operate its housing
59 projects in an efficient manner so as to enable it to fix the rentals for
60 dwelling accommodations at the lowest possible rates consistent with
61 providing decent, safe and sanitary dwelling accommodations, and no
62 housing authority shall construct or operate any such project for profit
63 or as a source of revenue to the municipality. To this end an authority
64 shall fix the rentals for dwelling in its projects at no higher rates than it
65 finds to be necessary in order to produce revenues which, together
66 with all other available money, revenues, income and receipts of the
67 authority from whatever sources derived, will be sufficient [(a)] (1) to
68 pay, as the same become due, the principal and interest on the bonds
69 of the authority; [(b)] (2) to meet the cost of, and to provide for,
70 maintaining and operating the projects, including the cost of any
71 insurance, and the administrative expenses of the authority; and [(c)]
72 (3) to create, during not less than six years immediately succeeding its
73 issuance of any bonds, a reserve sufficient to meet the largest principal
74 and interest payments which will be due on such bonds in any one
75 year thereafter and to maintain such reserve.

76 (b) In the operation or management of housing projects an authority
77 shall, at all times, rent or lease the dwelling accommodations therein at
78 rentals within the financial reach of families of low income. The

79 authority, subject to approval by the Commissioner of Housing, shall
80 fix maximum income limits for the admission and for the continued
81 occupancy of families in such housing, provided such maximum
82 income limits and all revisions thereof for housing projects operated
83 pursuant to any contract with any agency of the federal government
84 shall be subject to the prior approval of such federal agency. The
85 Commissioner of Housing shall define the income of a family to
86 provide the basis for determining eligibility for the admission and for
87 the continued occupancy of families under the maximum income
88 limits fixed and approved. The definition of family income, by the
89 Commissioner of Housing, may provide for the exclusion of all or part
90 of the income of family members which, in the judgment of said
91 commissioner, is not generally available to meet the cost of basic living
92 needs of the family. As among applicants (1) who apply for the rental
93 assistance provided in this section on or after the effective date of this
94 section, (2) who are eligible for such assistance, and (3) whose needs
95 for housing accommodations are substantially equal, as determined by
96 the commissioner, preference shall be given to veterans who are
97 "preference eligible", as defined in 5 USC 2108, as amended from time
98 to time.

99 (c) No housing authority shall refuse to rent any dwelling
100 accommodation to an otherwise qualified applicant on the ground that
101 one or more of the proposed occupants are children born out of
102 wedlock.

103 (d) Each housing authority shall provide a receipt to each applicant
104 for admission to its housing projects stating the time and date of
105 application and shall maintain a list of such applications which shall be
106 a public record as defined in section 1-200. The Commissioner of
107 Housing shall, by regulation, provide for the manner in which such list
108 shall be created, maintained and revised. No provision of this chapter
109 shall be construed as limiting the right of the authority to vest in an
110 obligee the right, in the event of a default by such authority, to take
111 possession of a housing project or cause the appointment of a receiver
112 thereof or acquire title thereto through foreclosure proceedings, free

113 from all the restrictions imposed by this chapter with respect to rental
 114 rates and tenant selection.

115 Sec. 3. Section 8-48 of the general statutes is repealed and the
 116 following is substituted in lieu thereof (*Effective October 1, 2015*):

117 In the cases of any tenants who are the recipients of one hundred
 118 per cent social services aid from the Department of Social Services of
 119 the state or any municipality and who have no income from any other
 120 source, rentals shall be fixed by each housing authority for the ensuing
 121 rental year established by the authority based on one-half of the costs
 122 and expenses set forth in subdivision (1) of subsection (a) of section 8-
 123 45, as amended by this act, plus the full amount of costs and expenses
 124 set forth in [subsections (b) and (c)] subdivisions (2) and (3) of
 125 subsection (a) of said section as set forth in the operating statements of
 126 the authority for the preceding fiscal year, which total amount shall be
 127 divided by the total number of rooms contained in all low-rent
 128 housing projects operated by such housing authority to establish the
 129 rental cost per room per annum for such tenants, from which figure
 130 shall be computed the rent per month per room. Said rentals shall
 131 govern for said rental year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2015</i>	8-345
Sec. 2	<i>October 1, 2015</i>	8-45
Sec. 3	<i>October 1, 2015</i>	8-48

VA *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 16 \$	FY 17 \$	FY 18 \$
Department of Housing	FF - Cost	None	None	See Below

Municipal Impact: None

Explanation

The bill results in a cost of \$30,000 to \$90,000 to the Department of Housing by requiring veterans that meet federal criteria to receive preference for rental assistance. This cost would be incurred during the next application round which is not anticipated to occur for at least three years.

The cost is associated with additional hours needed for the contracted administrator to screen all applications for veteran eligibility. The screening would occur during the initial evaluation at the time the Department opens the program for applications. During the last application round, the Department received 50,000 applications at a cost of \$500,000 in federal funds to administer and review.

The state rental assistance program and federal program (administered by the state) are opened for application only in the event that a voucher is available. The Department recently opened the programs for review, but did not do so for the prior seven years. Currently the wait list for the state program is 3,000 applicants and 5,000 applicants for the federal program.

The bill would also result in a cost to local housing authorities to evaluate applications for rental assistance. Ninety housing authorities representing approximately 200 properties in total would be impacted by this bill.

Local housing authorities are autonomous governmental entities which are generally funded by the U.S. Department of Housing and Urban Development (HUD), but may also receive state grants. The authorities operate under HUD regulations for federal developments, and both the Connecticut Housing Finance Authority and the Department of Economic and Community Development for state developments.

The Out Years

The cost identified above may occur in the outyears, dependent upon the year in which the Department opens an application round. Historically the programs are opened every several years.

OLR Bill Analysis**HB 6378*****AN ACT PROVIDING VETERANS' PREFERENCES IN THE RENTAL ASSISTANCE PROGRAM AND HOUSING AUTHORITY PROJECTS.*****SUMMARY:**

This bill gives a preference to veterans applying for certain types of housing assistance if they meet federal criteria (i.e., "preference-eligible" veterans).

It requires the housing commissioner, in administering the program that provides rental assistance to low-income families living in privately owned rental units, to give preference to veterans who apply for assistance if (1) they are eligible for such assistance and (2) she determines that their housing need is substantially equal to other similarly eligible applicants. By law, low-income families are those whose income does not exceed 50% of the median family income for the area where they live, as determined by the commissioner.

The bill requires housing authorities, which, by law, develop, own, and operate housing for elderly and low- and moderate-income people, to give preference to veterans who apply for rental assistance if (1) they are eligible for such assistance and (2) the housing commissioner determines that their housing need is substantially equal to other similarly eligible applicants.

To qualify for assistance in either case, the veteran must be "preference eligible" under federal law.

The bill also makes technical changes.

EFFECTIVE DATE: October 1, 2015

PREFERENCE-ELIGIBLE VETERANS

Veterans qualify for the housing preference if they were honorably or generally discharged following active-duty service in the U.S. Army, Navy, Air Force, Marine Corps, or Coast Guard and

1. served on active duty during a war, campaign, or expedition for which a campaign badge has been authorized;
2. served during the Korean War (April 28, 1952 to July 1, 1955);
3. served for at least 180 consecutive days between January 31, 1955 to October 15, 1976, not including National Guard or reserve service;
4. served during the first Gulf War (August 2, 1990 to January 2, 1992);
5. served for at least 180 consecutive days between September 11, 2001 and August 31, 2010 (the end of Operation Iraqi Freedom);
6. have an established service-connected disability or receive compensation, disability retirement benefits, or veterans' pension benefits; or
7. were discharged because they were their family's sole surviving child and other family members had died while serving in the armed forces (5 USC 2108).

COMMITTEE ACTION

Veterans' Affairs Committee

Joint Favorable

Yea 14 Nay 0 (03/05/2015)