



General Assembly

January Session, 2021

Raised Bill No. 6432

LCO No. 3048



Referred to Committee on HOUSING

Introduced by:
(HSG)

AN ACT CONCERNING HOUSING AUTHORITY APPLICATION PROCEDURES.

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

1 Section 1. Section 8-45 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2021*):

3 (a) Each housing authority shall manage and operate its housing
4 projects in an efficient manner so as to enable it to fix the rentals for
5 dwelling accommodations at the lowest possible rates consistent with
6 providing decent, safe and sanitary dwelling accommodations, and no
7 housing authority shall construct or operate any such project for profit
8 or as a source of revenue to the municipality. To this end an authority
9 shall fix the rentals for dwelling in its projects at no higher rates than it
10 finds to be necessary in order to produce revenues which, together with
11 all other available money, revenues, income and receipts of the
12 authority from whatever sources derived, will be sufficient [(a)] (1) to
13 pay, as the same become due, the principal and interest on the bonds of
14 the authority; [(b)] (2) to meet the cost of, and to provide for,
15 maintaining and operating the projects, including the cost of any

16 insurance, and the administrative expenses of the authority; and [(c)] (3)
17 to create, during not less than six years immediately succeeding its
18 issuance of any bonds, a reserve sufficient to meet the largest principal
19 and interest payments which will be due on such bonds in any one year
20 thereafter and to maintain such reserve.

21 (b) In the operation or management of housing projects an authority
22 shall, at all times, rent or lease the dwelling accommodations therein at
23 rentals within the financial reach of families of low income. The
24 authority, subject to approval by the Commissioner of Housing, shall fix
25 maximum income limits for the admission and for the continued
26 occupancy of families in such housing, provided such maximum income
27 limits and all revisions thereof for housing projects operated pursuant
28 to any contract with any agency of the federal government shall be
29 subject to the prior approval of such federal agency. The Commissioner
30 of Housing shall define the income of a family to provide the basis for
31 determining eligibility for the admission and for the continued
32 occupancy of families under the maximum income limits fixed and
33 approved. The definition of family income, by the Commissioner of
34 Housing, may provide for the exclusion of all or part of the income of
35 family members which, in the judgment of said commissioner, is not
36 generally available to meet the cost of basic living needs of the family.
37 No housing authority shall refuse to rent any dwelling accommodation
38 to an otherwise qualified applicant on the ground that one or more of
39 the proposed occupants are children born out of wedlock.

40 (c) Each housing authority shall provide its application to prospective
41 residents in person, or by mail or electronic mail when requested, and
42 make such application available on its Internet web site for download
43 by prospective residents. Each housing authority shall provide a receipt
44 to each applicant for admission to its housing projects stating the time
45 and date of application and shall maintain a list of such applications
46 which shall be a public record as defined in section 1-200. The
47 Commissioner of Housing shall, by regulation adopted in accordance
48 with the provisions of chapter 54, provide for the manner in which such
49 list shall be created, maintained and revised.

50 (d) No provision of this chapter shall be construed as limiting the
51 right of the authority to vest in an obligee the right, in the event of a
52 default by such authority, to take possession of a housing project or
53 cause the appointment of a receiver thereof or acquire title thereto
54 through foreclosure proceedings, free from all the restrictions imposed
55 by this chapter with respect to rental rates and tenant selection.

56 Sec. 2. Section 8-48 of the general statutes is repealed and the
57 following is substituted in lieu thereof (*Effective October 1, 2021*):

58 In the cases of any tenants who are the recipients of one hundred per
59 cent social services aid from the Department of Social Services of the
60 state or any municipality and who have no income from any other
61 source, rentals shall be fixed by each housing authority for the ensuing
62 rental year established by the authority based on one-half of the costs
63 and expenses set forth in subdivision (1) of subsection (a) of section 8-
64 45, as amended by this act, plus the full amount of costs and expenses
65 set forth in [subsections (b) and (c)] subdivisions (2) and (3) of said
66 [section] subsection as set forth in the operating statements of the
67 authority for the preceding fiscal year, which total amount shall be
68 divided by the total number of rooms contained in all low-rent housing
69 projects operated by such housing authority to establish the rental cost
70 per room per annum for such tenants, from which figure shall be
71 computed the rent per month per room. [Said] Such rentals shall govern
72 for [said] such rental year.

73 Sec. 3. Section 8-72 of the general statutes is repealed and the
74 following is substituted in lieu thereof (*Effective October 1, 2021*):

75 (a) Each developer or housing authority shall manage and operate its
76 housing projects in an efficient manner so as to enable it to fix the rentals
77 for dwelling accommodations at the lowest possible rates consistent
78 with providing decent, safe and sanitary dwelling accommodations,
79 and no housing authority or nonprofit corporation shall construct or
80 operate any such project for profit. To this end an authority or a
81 nonprofit corporation shall fix the rentals for dwelling in its projects at

82 no higher rates than it finds to be necessary in order to produce revenues
83 which, together with all other available money, revenues, income and
84 receipts of the authority or nonprofit corporation from whatever sources
85 derived, will be sufficient [(a)] (1) to pay, as the same become due, the
86 principal and interest on the bonds of the authority or nonprofit
87 corporation; [(b)] and (2) to meet the cost of, and to provide for,
88 maintaining and operating the projects, including the cost of any
89 insurance, and the administrative expenses of the authority or nonprofit
90 corporation; provided nothing in this section shall be construed as
91 prohibiting any authority or nonprofit corporation from providing for
92 variable rentals based on family income.

93 (b) In the operation or management of housing projects an authority
94 or nonprofit corporation shall, at all times, rent or lease the dwelling
95 accommodations therein at rentals within the financial reach of families
96 of low income. The Commissioner of Housing may establish maximum
97 income limits for admission and continued occupancy of tenants,
98 provided such maximum income limits and all revisions thereof for
99 housing projects operated pursuant to any contract with any agency of
100 the federal government shall be subject to the prior approval of such
101 federal agency. The Commissioner of Housing shall define the income
102 of a family to provide the basis for determining eligibility for the
103 admission, rentals and for the continued occupancy of families under
104 the maximum income limits fixed and approved. The definition of
105 family income, by the Commissioner of Housing, may provide for the
106 exclusion of all or part of the income of family members which, in the
107 judgment of said commissioner, is not generally available to meet the
108 cost of basic living needs of the family. No housing authority or
109 developer shall refuse to rent any dwelling accommodation to an
110 otherwise qualified applicant on the ground that one or more of the
111 proposed occupants are children born out of wedlock.

112 (c) Each housing authority and developer shall provide its
113 application to prospective residents in person, or by mail or electronic
114 mail when requested, and make such application available on its
115 Internet web site for download by prospective residents. Each housing

116 authority and developer shall provide a receipt to each applicant for
117 admission to its housing projects stating the time and date of application
118 and shall maintain a list of such applications, which shall be a public
119 record as defined in section 1-200. The Commissioner of Housing shall,
120 by regulation adopted in accordance with the provisions of chapter 54,
121 provide for the manner in which such list shall be created, maintained
122 and revised.

123 (d) No provision of this part shall be construed as limiting the right
124 of the authority to vest in an obligee the right, in the event of a default
125 by such authority, to take possession of a housing project or cause the
126 appointment of a receiver thereof or acquire title thereto through
127 foreclosure proceedings, free from all the restrictions imposed by this
128 chapter with respect to rental rates and tenant selection.

129 (e) The Commissioner of Housing shall approve an operation or
130 management plan of each housing project, which shall provide an
131 income adequate for debt service, if any, administration, including a
132 state service charge, other operating costs and establishment of
133 reasonable reserves for repairs, maintenance and replacements, vacancy
134 and collection losses. Said commissioner shall have the right of
135 inspection of any housing during the period between the date on which
136 construction thereof begins and the date the state loan is fully paid or,
137 in the case of a grant, during the period for which any housing project
138 built pursuant to such grant is used for housing for families of low and
139 moderate income.

140 (f) An authority or developer shall semiannually submit to said
141 commissioner a sworn statement setting forth such information with
142 respect to the tenants and rentals for each housing project [hereunder]
143 in accordance with this section and the costs of operating each housing
144 project under its jurisdiction as said commissioner requires. Any person
145 who makes a false statement concerning the income of the family for
146 which application for admission to or continued occupancy of housing
147 projects is made may be fined not more than five hundred dollars or
148 imprisoned not more than six months or both.

149 (g) With regard to a family who, since the last annual recertification,
150 received any public assistance or state-administered general assistance
151 and received earnings from employment, the authority or developer
152 shall not require any interim recertification due to an earnings increase.
153 At the annual recertification, the authority or developer shall base rent
154 levels on such family's average income throughout the preceding twelve
155 months. During the subsequent twelve-month period, the authority or
156 developer shall not require any interim recertifications due to increased
157 earnings from employment. However, if a family's income has
158 decreased, nothing in this section shall preclude an interim
159 recertification or recertification based on the reduced income level.

160 Sec. 4. Section 8-116a of the general statutes is repealed and the
161 following is substituted in lieu thereof (*Effective October 1, 2021*):

162 The following provisions shall be applicable to housing for elderly
163 persons: (1) There shall be no requirement that the occupants of such
164 housing constitute families and housing may be provided in separate
165 dwelling units for elderly persons living alone; (2) housing for elderly
166 persons shall conform to standards established by the Commissioner of
167 Housing and shall be designed so as to alleviate the infirmities
168 characteristic of the elderly; (3) the authority, municipal developer,
169 nonprofit corporation or housing partnership, subject to approval by the
170 Commissioner of Housing, shall fix maximum standard income and
171 asset limits for admission to such housing; (4) each housing authority,
172 municipal developer, nonprofit corporation or housing partnership
173 shall provide its application to prospective residents in person, or by
174 mail or electronic mail when requested, and make such application
175 available on its Internet web site for download by prospective residents;
176 (5) each housing authority, municipal developer, nonprofit corporation
177 or housing partnership shall provide a receipt to each applicant for
178 admission to its housing projects stating the time and date of application
179 and shall maintain a list of such applications, which shall be a public
180 record, as defined in section 1-200 and which shall be created,
181 maintained and revised in a manner which the Commissioner of
182 Housing shall, by regulation adopted in accordance with the provisions

183 of chapter 54, provide; and [(5)] (6) any person who makes a false
184 statement concerning the income of the elderly person for whom
185 application for admission to a project under this part is made may be
186 fined not more than five hundred dollars or imprisoned not more than
187 six months, or both.

188 Sec. 5. (*Effective October 1, 2021*) The Commissioner of Housing shall
189 adopt regulations, in accordance with the provisions of chapter 54 of the
190 general statutes, to implement the provisions of sections 8-45, 8-72 and
191 8-116a of the general statutes, as amended by this act.

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|-------------------------------------------------------------------------------|------------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>October 1, 2021</i> | 8-45 |
| Sec. 2 | <i>October 1, 2021</i> | 8-48 |
| Sec. 3 | <i>October 1, 2021</i> | 8-72 |
| Sec. 4 | <i>October 1, 2021</i> | 8-116a |
| Sec. 5 | <i>October 1, 202</i> | New section |

Statement of Purpose:

To simplify the application process for assisted housing.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]