



House of Representatives

General Assembly

File No. 115

February Session, 2022

Substitute House Bill No. 5206

House of Representatives, March 24, 2022

The Committee on Housing reported through REP. WILLIAMS of the 100th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING HOUSING AUTHORITIES.

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

1 Section 1. Subsection (a) of section 8-41 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective October*
3 *1, 2022*):

4 (a) For purposes of this section, a "tenant of the authority" means a
5 tenant who lives in housing owned or managed by a housing authority
6 or who is receiving housing assistance in a housing program directly
7 administered by such authority. When the governing body of a
8 municipality other than a town adopts a resolution as described in
9 section 8-40, it shall promptly notify the chief executive officer of such
10 adoption. Upon receiving such notice, the chief executive officer shall
11 appoint five persons who are residents of [said] such municipality as
12 commissioners of the authority, except that the chief executive officer
13 may appoint two additional persons who are residents of the
14 municipality if (1) the authority operates more than three thousand
15 units, or (2) upon the appointment of a tenant commissioner pursuant

16 to subsection (c) of this section, the additional appointments are
17 necessary to achieve compliance with 24 CFR 964.415 or section 9-167a.
18 If the governing body of a town adopts such a resolution, such body
19 shall appoint five persons who are residents of [said] such town as
20 commissioners of the authority created for such town, except that such
21 body may appoint two additional persons who are residents of the town
22 if, upon the appointment of a tenant commissioner pursuant to
23 subsection (c) of this section, the additional appointments are necessary
24 to achieve compliance with 24 CFR 964.415 or section 9-167a. The
25 commissioners who are first so appointed shall be designated to serve
26 for a term of either one, two, three, four or five years, except that if the
27 authority has five members, the terms of not more than one member
28 shall expire in the same year. Terms shall commence on the first day of
29 the month next succeeding the date of their appointment, and annually
30 thereafter a commissioner shall be appointed to serve for five years
31 except that any vacancy which may occur because of a change of
32 residence by a commissioner, removal of a commissioner, resignation or
33 death shall be filled for the unexpired portion of the term. If a governing
34 body increases the membership of the authority on or after July 1, 1995,
35 such governing body shall, by resolution, provide for a term of five
36 years for each such additional member. The term of the chairman shall
37 be three years. At least one of such commissioners of an authority
38 having five members, and at least two of such commissioners of an
39 authority having more than five members, shall be a tenant or tenants
40 of the authority selected pursuant to subsection (c) of this section. If, on
41 October 1, 1979, a municipality has adopted a resolution as described in
42 section 8-40, but has no tenants serving as commissioners, the chief
43 executive officer of a municipality other than a town or the governing
44 body of a town shall appoint a tenant who meets the qualifications set
45 out in this section as a commissioner of such authority when the next
46 vacancy occurs. No commissioner of an authority may hold any public
47 office in the municipality for which the authority is created. A
48 commissioner shall hold office until [said] such commissioner's
49 successor is appointed and has qualified. Not later than January 1, 2023,
50 each commissioner who is serving on said date and, thereafter, upon

51 appointment, each newly appointed commissioner who is not a
52 reappointed commissioner, shall participate in a training for housing
53 authority commissioners provided by the United States Department of
54 Housing and Urban Development. A certificate of the appointment or
55 reappointment of any commissioner shall be filed with the clerk and
56 shall be conclusive evidence of the legal appointment of such
57 commissioner, after said commissioner has taken an oath in the form
58 prescribed in the first paragraph of section 1-25. The powers of each
59 authority shall be vested in the commissioners thereof. Three
60 commissioners shall constitute a quorum if the authority consists of five
61 commissioners. Four commissioners shall constitute a quorum if the
62 authority consists of more than five commissioners. Action may be
63 taken by the authority upon a vote of not less than a majority of the
64 commissioners present, unless the bylaws of the authority require a
65 larger number. The chief executive officer, or, in the case of an authority
66 for a town, the governing body of the town, shall designate which of the
67 commissioners shall be the first chairman, but when the office of
68 chairman of the authority becomes vacant, the authority shall select a
69 chairman from among its commissioners. An authority shall select from
70 among its commissioners a vice chairman, and it may employ a
71 secretary, who shall be executive director, and technical experts and
72 such other officers, agents and employees, permanent and temporary,
73 as it requires, and shall determine their qualifications, duties and
74 compensation, provided, in municipalities having a civil service law, all
75 appointments and promotions, except the employment of the secretary,
76 shall be based on examinations given and lists prepared under such law,
77 and, except so far as may be inconsistent with the terms of this chapter,
78 such civil service law and regulations adopted thereunder shall apply
79 to such housing authority and its personnel. For such legal services as it
80 requires, an authority may employ its own counsel and legal staff. An
81 authority may delegate any of its powers and duties to one or more of
82 its agents or employees. A commissioner, or any employee of the
83 authority who handles its funds, shall be required to furnish an
84 adequate bond. The commissioners shall serve without compensation,
85 but shall be entitled to reimbursement for their actual and necessary

86 expenses incurred in the performance of their official duties.

87 Sec. 2. Section 8-68f of the general statutes is repealed and the
88 following is substituted in lieu thereof (*Effective October 1, 2022*):

89 Each housing authority [which] that receives financial assistance
90 under any state housing program, and the Connecticut Housing Finance
91 Authority or its subsidiary when said authority or subsidiary is the
92 successor owner of housing previously owned by a housing authority
93 under part II or part VI of this chapter, shall, for housing which it owns
94 and operates, (1) provide each of its tenants with a written lease, (2)
95 provide each of its tenants with, at the time the tenant signs an initial
96 lease and, annually thereafter, contact information for the management
97 of the housing authority, the local health department and the
98 Commission on Human Rights and Opportunities, and a copy of the
99 guidance concerning rights and responsibilities of landlords and tenants
100 that is posted on the Internet web site of the Judicial Branch, (3) adopt a
101 procedure for hearing tenant complaints and grievances, [(3)] (4) adopt
102 procedures for soliciting tenant comment on proposed changes in
103 housing authority policies and procedures, including changes to its
104 lease and to its admission and occupancy policies, and [(4)] (5)
105 encourage tenant participation in the housing authority's operation of
106 state housing programs, including, where appropriate, the facilitation
107 of tenant participation in the management of housing projects. If such
108 housing authority or the Connecticut Housing Finance Authority or its
109 subsidiary operates both a federal and a state-assisted housing program,
110 it shall use the same procedure for hearing tenant grievances in both
111 programs. The Commissioner of Housing shall adopt regulations in
112 accordance with the provisions of chapter 54 to establish uniform
113 minimum standards for the requirements in this section.

114 Sec. 3. Section 8-68d of the general statutes is repealed and the
115 following is substituted in lieu thereof (*Effective October 1, 2022*):

116 (a) Each housing authority shall submit a report to the Commissioner
117 of Housing and the chief executive officer of the municipality in which
118 the authority is located not later than March first, annually. The report

119 shall contain (1) an inventory of all existing housing owned or operated
 120 by the authority, including the total number, types and sizes of rental
 121 units and the total number of occupancies and vacancies in each housing
 122 project or development, and a description of the condition of such
 123 housing, (2) a description of any new construction projects being
 124 undertaken by the authority and the status of such projects, (3) the
 125 number and types of any rental housing sold, leased or transferred
 126 during the period of the report which is no longer available for the
 127 purpose of low or moderate income rental housing, (4) the results of its
 128 annual audit conducted in accordance with subsection (b) of this section,
 129 and [(4)] (5) such other information as the commissioner may require by
 130 regulations adopted in accordance with the provisions of chapter 54.

131 (b) In addition to the audits required under sections 4-231 and 7-932,
 132 the commissioners of the authority shall annually contract with a firm
 133 of certified public accountants to undertake an independent financial
 134 audit of the authority in accordance with generally accepted auditing
 135 standards.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2022	8-41(a)
Sec. 2	October 1, 2022	8-68f
Sec. 3	October 1, 2022	8-68d

Statement of Legislative Commissioners:

In Section 2, "health department" was substituted for "department of public health" for consistency with the general statutes.

HSG *Joint Favorable Subst. -LCO*

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: None

Municipal Impact: None

Explanation

The bill establishes three new requirements of housing authorities. It requires 1) housing authority commissioners to attend certain training; 2) housing authorities to provide certain information to tenants, and 3) certain audits to be performed by housing authorities.

Housing authorities are quasi-public agencies that are created by municipalities. Housing authorities are not financially dependent on the municipalities that create them, nor are those municipalities required to financially support them.

As such, a bill that has a fiscal impact on a housing authority would only subsequently result in a municipal impact if a municipality chose to offer financial support in response to that bill.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**HB 5206*****AN ACT CONCERNING HOUSING AUTHORITIES.*****SUMMARY**

This bill requires housing authorities to annually contract with an independent certified public accountant for a financial audit (§ 3). The audit results must be included in an authority's annual report that it must submit by law to the housing commissioner and the chief executive officer of the municipality where it is located. Under the bill, this audit is in addition to audits under existing law that require:

1. the housing commissioner to ensure local housing authorities are audited biennially, with the authority covering the audit's costs, if the commissioner requires it (CGS § 7-392(d)) and
2. housing authorities to audit themselves if they have annual revenue of more than \$1 million and spend more than \$300,000 in a fiscal year (CGS § 4-231).

The bill also requires (1) existing housing authority commissioners to participate in a federal Department of Housing and Urban Development (HUD) commissioner training by January 1, 2023, and (2) new commissioners to participate in the training upon appointment (§ 1).

Additionally, the bill requires housing authorities receiving state assistance and the Connecticut Housing Finance Authority (if it or its subsidiaries are successor owners to housing previously owned by a local authority) to annually provide tenants, beginning when they sign their initial lease, with the following information: (1) contact information for the authority's management, local health department, and Commission on Human Rights and Opportunities and (2) a copy of the judicial branch's guidance on tenants' and landlords' rights and

responsibilities (§ 2).

Finally, the bill makes minor technical and conforming changes.

EFFECTIVE DATE: October 1, 2022

COMMITTEE ACTION

Housing Committee

Joint Favorable

Yea 15 Nay 0 (03/10/2022)