

OFFICE OF FISCAL ANALYSIS

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SB-301

AN ACT ESTABLISHING A PILOT PROGRAM TO FUND REIMBURSEMENTS TO LANDLORDS FOR LOST RENTAL PAYMENTS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Department of Housing	GF - Cost	Significant	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a significant state cost, as it requires the Commissioner of Housing to establish a one-year program to reimburse certain landlords for certain unpaid rent. The bill also requires the Commissioner to assess the unmet need for such rent reimbursement and to report on the program and its performance by December 1, 2023. As the Department of Housing (DOH) does not currently have information on how many landlords would be eligible or what the average reimbursement amount would be, the total cost for grants is unknown. As a reference, the average rent payment made by the UniteCT program is \$8,446 and to date, UniteCT has served 8,260 landlords and 36,666 unique households.¹

The Department of Housing (DOH) has operated the federally

¹ Statistics taken from the [UniteCT dashboard](#) on March 27, 2022; Figures reflect payments of \$196.8 million for rent assistance and \$41.8 million for utility payments. The statistics will change as the remaining \$162 million in committed funding is processed.

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funded UniteCT emergency rental assistance program at an administrative cost of about \$47 million to process 104,231 applications during FY 21 and FY 22. It is anticipated that DOH would incur similar (\$452 per case) or higher administration costs per application for the landlord program due to the staff time necessary to review and verify additional application criteria (i.e., both tenant eligibility and landlord eligibility). DOH may also be required to contract with a third-party for assistance completing the assessment of unmet needs and/or the program performance reporting at a one-time cost of less than \$100,000. Programmatic and administrative costs would be incurred in FY 23 and the first half of FY 24.

The Out Years

There is no fiscal impact in the out years.

Sources: Department of Housing