



Substitute Senate Bill No. 998

Public Act No. 23-207

**AN ACT ESTABLISHING A TAX ABATEMENT FOR CERTAIN
CONSERVATION EASEMENTS AND ADDRESSING HOUSING
AFFORDABILITY FOR RESIDENTS IN THE STATE.**

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

Section 1. (NEW) (*Effective October 1, 2023, and applicable to assessment years commencing on or after October 1, 2023*) (a) For the purposes of this section, (1) "nonprofit land conservation organization" means a nonprofit land conservation organization that is tax exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, (2) "greenway" has the same meaning as provided in section 23-100 of the general statutes, and (3) "conservation restriction" has the same meaning as provided in section 47-42a of the general statutes.

(b) Each municipality may establish by ordinance a program to provide for the abatement of real property taxes due on any portion of land that (1) meets the criteria for designation as a greenway established under subsection (b) of section 23-102 of the general statutes, (2) is a terrestrial recreational trail with a clearly defined trail corridor that does not exceed one hundred feet in width at its widest point, and (3) is subject to a recorded permanent conservation restriction conveyed by

Substitute Senate Bill No. 998

the owner of the land, or such owner's predecessor in title, to the municipality, the state or a nonprofit land conservation organization, provided such conservation easement or any other encumbrance on the land shall not prohibit the public use of any such terrestrial recreational trail for compatible recreation.

(c) Whenever any municipality enacts an ordinance required by subsection (b) of this section, an owner of land may apply for its abatement under such ordinance by filing a written application for such abatement with the assessor of such municipality. Any application filed under this subsection shall be made upon a form prescribed by the assessor and shall include (1) a description of the land, (2) a copy of the recorded permanent conservation restriction concerning the land, (3) a copy of the deed that establishes such owner's ownership interest in the land, (4) a certified land survey that depicts the boundaries of the terrestrial recreational trail on the land of such owner, and (5) such other information as the assessor may require to aid in determining whether such land qualifies for such tax abatement pursuant to such ordinance. Any certification of a survey required by this subsection shall be made by a licensed surveyor and such certification shall be made in accordance with chapter 390 of the general statutes.

(d) Not later than thirty days after receipt of a written application under subsection (c) of this section, the assessor shall submit such written application with the assessor's recommendation to either approve or deny the tax abatement based on the criteria set forth in subsection (b) of this section to the legislative body of the municipality or, in a municipality where the legislative body is a town meeting, to the board of selectmen.

(e) The abatement of any real property taxes under subsection (b) of this section shall be approved by vote of the legislative body of the municipality or, in a municipality where the legislative body is a town meeting, by vote of the board of selectmen.

Substitute Senate Bill No. 998

(f) Any abatement under this section shall continue upon the sale or transfer of the land unless the legislative body of the municipality, or in a municipality where the legislative body is a town meeting, the board of selectmen, votes to discontinue such abatement.

Sec. 2. Subsection (a) of section 12-107e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) The planning commission of any municipality, in preparing a plan of conservation and development for such municipality, may designate upon such plan areas which it recommends for preservation as areas of open space land, provided such designation is approved by a majority vote of the legislative body of such municipality. Land, or a portion thereof, including any terrestrial recreational trail corridor that meets the criteria for designation as a greenway pursuant to chapter 454, included in any area so designated upon such plan as finally adopted may be classified as open space land for purposes of property taxation or payments in lieu thereof if there has been no change in the use of such area which has adversely affected its essential character as an area of open space land between the date of the adoption of such plan and the date of such classification.

Sec. 3. Subparagraph (A) of subdivision (7) of subsection (c) of section 7-148 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(7) (A) (i) Make rules relating to the maintenance of safe and sanitary housing and prescribe civil penalties for the violation of such rules against an owner of rental property not to exceed two thousand dollars per violation, provided if multiple violations are discovered on the same date, such violations shall be enforced as one violation, and any such owner assessed a civil penalty pursuant to this subparagraph shall have a right of appeal to the legislative body of the municipality, or to the

Substitute Senate Bill No. 998

board of selectmen in a municipality where the legislative body is a town meeting, upon the grounds that such violation was proximately caused by a tenant's reckless or wilful act;

(ii) Regulate the mode of using any buildings when such regulations seem expedient for the purpose of promoting the safety, health, morals and general welfare of the inhabitants of the municipality;

(iii) Regulate and prohibit the moving of buildings upon or through the streets or other public places of the municipality, and cause the removal and demolition of unsafe buildings and structures;

(iv) Regulate and provide for the licensing of parked trailers when located off the public highways, and trailer parks or mobile manufactured home parks, except as otherwise provided by special act and except where there exists a local zoning commission so empowered;

(v) Establish lines beyond which no buildings, steps, stoop, veranda, billboard, advertising sign or device or other structure or obstruction may be erected;

(vi) Regulate and prohibit the placing, erecting or keeping of signs, awnings or other things upon or over the sidewalks, streets and other public places of the municipality;

(vii) Regulate plumbing and house drainage;

(viii) Prohibit or regulate the construction of dwellings, apartments, boarding houses, hotels, commercial buildings, youth camps or commercial camps and commercial camping facilities in such municipality unless the sewerage facilities have been approved by the authorized officials of the municipality;

Sec. 4. (NEW) (*Effective October 1, 2023*) (a) As used in this section, "walk-through" means a joint physical inspection of the dwelling unit

Substitute Senate Bill No. 998

by the landlord and the tenant, or their designees, for the purpose of noting and listing any observed conditions within the dwelling unit. On and after January 1, 2024, upon or after the entry into a rental agreement but prior to the tenant's occupancy of a dwelling unit, a landlord shall offer such tenant the opportunity to conduct a walk-through of the dwelling unit. If the tenant requests such a walk-through, the landlord and tenant, or their designees, shall use a copy of the preoccupancy walk-through checklist prepared by the Commissioner of Housing under subsection (c) of this section. The landlord and the tenant, or their designees, shall specifically note on the walk-through checklist any existing conditions, defects or damages to the dwelling unit present at the time of the walk-through. After the walk-through, the landlord and the tenant, or their designees, shall sign duplicate copies of the walk-through checklist and each shall receive a copy.

(b) Upon the tenant's vacating of the dwelling unit, the landlord may not retain any part of the security deposit collected under chapter 831 of the general statutes or seek payment from the tenant for any condition, defect or damage that was noted in the preoccupancy walk-through checklist. Such walk-through checklist shall be admissible, subject to the rules of evidence, but shall not be conclusive, as evidence of the condition of the dwelling unit at the beginning of a tenant's occupancy in any administrative or judicial proceeding.

(c) Not later than December 1, 2023, the Commissioner of Housing shall (1) prepare a standardized preoccupancy walk-through checklist for any landlord and tenant to use to document the condition of any dwelling unit during a preoccupancy walk-through under subsection (a) of this section, and (2) make such checklist available on the Department of Housing's Internet web site.

(d) The provisions of this section shall not apply to any tenancy under a rental agreement entered into prior to January 1, 2024.

Substitute Senate Bill No. 998

Sec. 5. Section 47a-1 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

As used in this chapter, [and] sections 47a-21, 47a-23 to 47a-23c, inclusive, as amended by this act, 47a-26a to 47a-26g, inclusive, 47a-35 to 47a-35b, inclusive, 47a-41a, 47a-43, [and] 47a-46 and [section] 47a-7b and sections 4 and 6 of this act:

(a) "Action" includes recoupment, counterclaim, set-off, cause of action and any other proceeding in which rights are determined, including an action for possession.

(b) "Building and housing codes" include any law, ordinance or governmental regulation concerning fitness for habitation or the construction, maintenance, operation, occupancy, use or appearance of any premises or dwelling unit.

(c) "Dwelling unit" means any house or building, or portion thereof, which is occupied, is designed to be occupied, or is rented, leased or hired out to be occupied, as a home or residence of one or more persons.

(d) "Landlord" means the owner, lessor or sublessor of the dwelling unit, the building of which it is a part or the premises.

(e) "Owner" means one or more persons, jointly or severally, in whom is vested (1) all or part of the legal title to property, or (2) all or part of the beneficial ownership and a right to present use and enjoyment of the premises and includes a mortgagee in possession.

(f) "Person" means an individual, corporation, limited liability company, the state or any political subdivision thereof, or agency, business trust, estate, trust, partnership or association, two or more persons having a joint or common interest, and any other legal or commercial entity.

Substitute Senate Bill No. 998

(g) "Premises" means a dwelling unit and the structure of which it is a part and facilities and appurtenances therein and grounds, areas and facilities held out for the use of tenants generally or whose use is promised to the tenant.

(h) "Rent" means all periodic payments to be made to the landlord under the rental agreement.

(i) "Rental agreement" means all agreements, written or oral, and valid rules and regulations adopted under section 47a-9 or subsection (d) of section 21-70 embodying the terms and conditions concerning the use and occupancy of a dwelling unit or premises.

(j) "Roomer" means a person occupying a dwelling unit, which unit does not include a refrigerator, stove, kitchen sink, toilet and shower or bathtub and one or more of these facilities are used in common by other occupants in the structure.

(k) "Single-family residence" means a structure maintained and used as a single dwelling unit. Notwithstanding that a dwelling unit shares one or more walls with another dwelling unit or has a common parking facility, it is a single-family residence if it has direct access to a street or thoroughfare and does not share heating facilities, hot water equipment or any other essential facility or service with any other dwelling unit.

(l) "Tenant" means the lessee, sublessee or person entitled under a rental agreement to occupy a dwelling unit or premises to the exclusion of others or as is otherwise defined by law.

(m) "Tenement house" means any house or building, or portion thereof, which is rented, leased or hired out to be occupied, or is arranged or designed to be occupied, or is occupied, as the home or residence of three or more families, living independently of each other, and doing their cooking upon the premises, and having a common right in the halls, stairways or yards.

Substitute Senate Bill No. 998

Sec. 6. (NEW) (*Effective October 1, 2023*) (a) As used in this section, "tenant screening report" means a credit report, a criminal background report, an employment history report, a rental history report or any combination thereof, used by a landlord to determine the suitability of a prospective tenant.

(b) No landlord may demand from a prospective tenant any payment, fee or charge for the processing, review or acceptance of any rental application, or demand any other payment, fee or charge before or at the beginning of the tenancy, except a security deposit pursuant to section 47a-21 of the general statutes, as amended by this act, advance payment for the first month's rent or a deposit for a key or any special equipment, or a fee for a tenant screening report as provided in subsection (c) of this section. No landlord may charge a tenant a move-in or move-out fee.

(c) On and after October 1, 2023, a landlord may charge a fee not exceeding fifty dollars plus an adjustment reflecting any increase in the consumer price index for urban consumers, as determined by the Commissioner of Housing on an annual basis, for a tenant screening report concerning a prospective tenant.

(d) A landlord that charges a fee for a tenant screening report concerning a prospective tenant shall provide the prospective tenant with (1) a copy of the tenant screening report or, if the landlord is prohibited from providing such a copy, information concerning such report that would allow such tenant to request a copy of such report from the service provider that produced such report, and (2) a copy of the receipt or invoice from the entity conducting the tenant screening report concerning the prospective tenant.

Sec. 7. Subsection (a) of section 47a-4 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

Substitute Senate Bill No. 998

(a) A rental agreement shall not provide that the tenant: (1) Agrees to waive or forfeit rights or remedies under this chapter and sections 47a-21, as amended by this act, 47a-23 to 47a-23b, inclusive, 47a-26 to 47a-26g, inclusive, 47a-35 to 47a-35b, inclusive, 47a-41a, 47a-43 and 47a-46, or under any section of the general statutes or any municipal ordinance unless such section or ordinance expressly states that such rights may be waived; (2) authorizes the landlord to confess judgment on a claim arising out of the rental agreement; (3) agrees to the exculpation or limitation of any liability of the landlord arising under law or to indemnify the landlord for that liability or the costs connected therewith; (4) agrees to waive his right to the interest on the security deposit pursuant to section 47a-21, as amended by this act; (5) agrees to permit the landlord to dispossess him without resort to court order; (6) consents to the distraint of his property for rent; (7) agrees to pay the landlord's attorney's fees in excess of fifteen per cent of any judgment against the tenant in any action in which money damages are awarded; (8) agrees to pay a late charge prior to the expiration of the grace period set forth in section 47a-15a, as amended by this act, or to pay rent in a reduced amount if such rent is paid prior to the expiration of such grace period; (9) agrees to pay a late charge on rent payments made subsequent to such grace period in an amount exceeding the amounts set forth in section 47a-15a, as amended by this act; or [(9)] (10) agrees to pay a heat or utilities surcharge if heat or utilities is included in the rental agreement.

Sec. 8. Section 47a-15a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) If rent is unpaid when due and the tenant fails to pay rent within nine days thereafter or, in the case of a one-week tenancy, within four days thereafter, the landlord may terminate the rental agreement in accordance with the provisions of sections 47a-23 to 47a-23b, inclusive. For purposes of this section, "grace period" means the nine-day or four-

Substitute Senate Bill No. 998

day time periods identified in this subsection, as applicable.

(b) If a rental agreement contains a valid written agreement to pay a late charge in accordance with subsection (a) of section 47a-4, as amended by this act, a landlord may assess a tenant such a late charge on a rent payment made subsequent to the grace period in accordance with this section. Such late charge may not exceed the lesser of (1) five dollars per day, up to a maximum of fifty dollars, or (2) five per cent of the delinquent rent payment or, in the case of a rental agreement paid in whole or in part by a governmental or charitable entity, five per cent of the tenant's share of the delinquent rent payment. The landlord may not assess more than one late charge upon a delinquent rent payment, regardless of how long the rent remains unpaid.

Sec. 9. Section 8-339 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) The Commissioner of Housing shall establish, within available appropriations, and administer a security deposit guarantee program for [persons who (1) (A) are recipients of temporary family assistance, aid under the state supplement program, or state-administered general assistance, or (B) have a documented showing of financial need, and (2) (A) are residing in emergency shelters or other emergency housing, cannot remain in permanent housing due to any reason specified in subsection (a) of section 17b-808, or are] (1) any individual or family whose income is sixty per cent or less of the median income of the state, adjusted for family size, as determined by the United States Department of Housing and Urban Development and who have a documented financial need as determined by the commissioner, (2) any individual who is served a writ, summons and complaint in a summary process action instituted pursuant to chapter 832, or [(B) have] (3) any individual who receives a certificate or voucher from a rental assistance program or federal [Section 8] Housing Choice Voucher program. Under the security deposit guarantee program, the [Commissioner of Housing]

Substitute Senate Bill No. 998

commissioner may provide security deposit guarantees for use by [such] persons who are eligible pursuant to this subsection in lieu of a security deposit on a rental dwelling unit. Eligible persons may receive a security deposit guarantee in an amount not to exceed the equivalent of two months' rent on such rental unit. No person may apply for and receive a security deposit guarantee more than once in any [eighteen-month] twenty-four-month period without the express authorization of the [Commissioner of Housing] commissioner, except as provided in subsection (b) of this section. The [Commissioner of Housing] commissioner may deny eligibility for the [security deposit guarantee] program to an applicant for whom the commissioner has paid [two] one or more claims by landlords. The [Commissioner of Housing] commissioner shall prioritize the provision of security deposit guarantees to eligible veterans and may establish priorities for providing security deposit guarantees to other eligible persons described in [subparagraphs (A) and (B) of subdivision (2)] subdivisions (1) to (3), inclusive, of this subsection in order to administer the program within available appropriations.

(b) In the case of any person who qualifies for a guarantee, the [Commissioner of Housing] commissioner, or any local or regional nonprofit corporation or social service organization under contract with the Department of Housing to assist in the administration of the [security deposit guarantee] program established pursuant to subsection (a) of this section, may execute a written agreement to pay the landlord for any damages suffered by the landlord due to the tenant's failure to comply with such tenant's obligations, as defined in section 47a-21, as amended by this act, provided the amount of any such payment shall not exceed the amount of the requested security deposit. Notwithstanding the provisions of subsection (a) of this section, if a person who has previously received a grant for a security deposit or a security deposit guarantee becomes eligible for a subsequent security deposit guarantee within [eighteen] twenty-four months after a claim

Substitute Senate Bill No. 998

has been paid on a prior security deposit guarantee, such person may receive a security deposit guarantee. The amount of the subsequent security deposit guarantee for which such person would otherwise have been eligible shall be reduced by (1) any amount of a previous grant which has not been returned to the department pursuant to section 47a-21, as amended by this act, or (2) the amount of any payment made to the landlord for damages pursuant to this subsection.

(c) Any payment made pursuant to this section to any person receiving temporary family assistance, aid under the state supplement program or state-administered general assistance shall not be deducted from the amount of assistance to which the recipient would otherwise be entitled.

(d) On and after July 1, 2000, no special need or special benefit payments shall be made by the commissioner for security deposits from the temporary family assistance, state supplement, or state-administered general assistance programs.

(e) The [Commissioner of Housing] commissioner may, within available appropriations, on a case-by-case basis, provide a security deposit grant to a person eligible for the [security deposit guarantee] program established under subsection (a) of this section, in an amount not to exceed the equivalent of one month's rent on such rental unit, provided the commissioner determines that emergency circumstances exist which threaten the health, safety or welfare of a child who resides with such person. Such person shall not be eligible for more than one such grant without the authorization of said commissioner. Nothing in this section shall preclude the approval of such one-month security deposit grant in conjunction with a one-month security deposit guarantee.

(f) The [Commissioner of Housing] commissioner may provide a security deposit grant to a person receiving such grant through any local

Substitute Senate Bill No. 998

or regional nonprofit corporation or social service organization under an existing contract with the Department of Housing to assist in the administration of the security deposit program. [, but in no event shall a payment be authorized after October 1, 2000.] Nothing in this section shall preclude the commissioner from entering into a contract with one or more local or regional nonprofit corporations or social service organizations for the purpose of issuing security deposit guarantees.

(g) A landlord may submit a claim for damages not later than [forty-five] twenty days after the date of termination of the tenancy. Payment shall be made only for a claim that includes receipts for repairs made. No claim shall be paid for an apartment from which a tenant vacated because substandard conditions made the apartment uninhabitable, as determined by a local, state or federal regulatory agency.

(h) Any person with income exceeding one hundred fifty per cent of the federal poverty level, who is found eligible to receive a security deposit guarantee under this section and for whom the commissioner has paid a claim by a landlord, shall contribute [five] fifty per cent of one month's rent to the payment of the security deposit. The commissioner may waive such payment for good cause.

(i) The [Commissioner of Housing] commissioner shall adopt regulations, in accordance with the provisions of chapter 54, to administer the program established pursuant to this section and to set eligibility criteria for the program, but may implement the program while in the process of adopting such regulations provided notice of intent to adopt the regulations is published [in the Connecticut Law Journal within] on the eRegulations System not later than twenty days after implementation.

Sec. 10. Section 47a-23c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

Substitute Senate Bill No. 998

(a) (1) Except as provided in subdivision (2) of this subsection, this section applies to any tenant who resides in a building or complex consisting of five or more separate dwelling units or who resides in a mobile manufactured home park and who is either: (A) Sixty-two years of age or older, or whose spouse, sibling, parent or grandparent is sixty-two years of age or older and permanently resides with that tenant, or (B) a person with a physical or mental disability, as defined in subdivision [(8)] (12) of section 46a-64b, or whose spouse, sibling, child, parent or grandparent is a person with a physical or mental disability who permanently resides with that tenant, but only if such disability can be expected to result in death or to last for a continuous period of at least twelve months.

(2) With respect to tenants in common interest communities, this section applies only to (A) a conversion tenant, as defined in subsection (3) of section 47-283, who (i) is described in subdivision (1) of this subsection, or (ii) is not described in subdivision (1) of this subsection but, during a transition period, as defined in subsection (4) of section 47-283, is residing in a conversion condominium created after May 6, 1980, or in any other conversion common interest community created after December 31, 1982, or (iii) is not described in subdivision (1) of this subsection but is otherwise protected as a conversion tenant by public act 80-370, and (B) a tenant who is not a conversion tenant but who is described in subdivision (1) of this subsection if his landlord owns five or more dwelling units in the common interest community in which the dwelling unit is located.

(3) As used in this section, "tenant" includes each resident of a mobile manufactured home park, as defined in section 21-64, including a resident who owns his own home, "landlord" includes a "licensee" and an "owner" of a mobile manufactured home park, as defined in section 21-64, "complex" means two or more buildings on the same or contiguous parcels of real property under the same ownership, and

Substitute Senate Bill No. 998

"mobile manufactured home park" means a parcel of real property, or contiguous parcels of real property under the same ownership, upon which five or more mobile manufactured homes occupied for residential purposes are located.

(b) (1) No landlord may bring an action of summary process or other action to dispossess a tenant described in subsection (a) of this section except for one or more of the following reasons: (A) Nonpayment of rent; (B) refusal to agree to a fair and equitable rent increase, as defined in subsection (c) of this section; (C) material noncompliance with section 47a-11 or subsection (b) of section 21-82, which materially affects the health and safety of the other tenants or which materially affects the physical condition of the premises; (D) voiding of the rental agreement pursuant to section 47a-31, or material noncompliance with the rental agreement; (E) material noncompliance with the rules and regulations of the landlord adopted in accordance with section 47a-9 or 21-70; (F) permanent removal by the landlord of the dwelling unit of such tenant from the housing market; or (G) bona fide intention by the landlord to use such dwelling unit as his principal residence.

(2) The ground stated in subparagraph (G) of subdivision (1) of this subsection is not available to the owner of a dwelling unit in a common interest community occupied by a conversion tenant.

(3) A tenant may not be dispossessed for a reason described in subparagraph (B), (F) or (G) of subdivision (1) of this subsection during the term of any existing rental agreement.

(c) (1) The rent of a tenant protected by this section may be increased only to the extent that such increase is fair and equitable, based on the criteria set forth in section 7-148c.

(2) Any such tenant aggrieved by a rent increase or proposed rent increase may file a complaint with the fair rent commission, if any, for

Substitute Senate Bill No. 998

the town, city or borough where his dwelling unit or mobile manufactured home park lot is located; or, if no such fair rent commission exists, may bring an action in the Superior Court to contest the increase. In any such court proceeding, the court shall determine whether the rent increase is fair and equitable, based on the criteria set forth in section 7-148c.

(d) A landlord, to determine whether a tenant is a protected tenant, as described in subdivision (1) of subsection (a) of this section, may request proof of such protected status. On such request, any tenant claiming protection shall provide proof of the protected status within thirty days. The proof shall include a statement of a physician or an advanced practice registered nurse in the case of alleged blindness or other physical disability.

(e) (1) On and after January 1, 2024, whenever a dwelling unit located in a building or complex consisting of five or more separate dwelling units or in a mobile manufactured home park is rented to, or a rental agreement is entered into or renewed with, a tenant, the landlord of such dwelling unit or such landlord's agent shall provide such tenant with written notice of the provisions of subsections (b) and (c) of this section in a form as described in subdivision (2) of this subsection.

(2) Not later than December 1, 2023, the Commissioner of Housing shall create a notice to be used by landlords, pursuant to subdivision (1) of this subsection, to inform tenants of the rights provided to protected tenants under subsections (b) and (c) of this section. Such notice shall be a one-page, plain-language summary of such rights and shall be available in both English and Spanish. Not later than December 1, 2023, such notice shall be posted on the Department of Housing's Internet web site.

(3) Not later than December 1, 2028, the commissioner shall (A) translate the notice required under subdivision (2) of this subsection

Substitute Senate Bill No. 998

into the five most commonly spoken languages in the state, as determined by the commissioner, and (B) post such translations on the Department of Housing's Internet web site not later than December 1, 2028.

Sec. 11. Subsection (a) of section 8-41 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) For purposes of this section, a "tenant of the authority" means a tenant who lives in housing owned or managed by a housing authority or who is receiving housing assistance in a housing program directly administered by such authority. When the governing body of a municipality other than a town adopts a resolution as described in section 8-40, it shall promptly notify the chief executive officer of such adoption. Upon receiving such notice, the chief executive officer shall appoint five persons who are residents of [said] such municipality as commissioners of the authority, except that the chief executive officer may appoint two additional persons who are residents of the municipality if (1) the authority operates more than three thousand units, or (2) upon the appointment of a tenant commissioner pursuant to subsection (c) of this section, the additional appointments are necessary to achieve compliance with 24 CFR 964.415 or section 9-167a. If the governing body of a town adopts such a resolution, such body shall appoint five persons who are residents of [said] such town as commissioners of the authority created for such town, except that such body may appoint two additional persons who are residents of the town if, upon the appointment of a tenant commissioner pursuant to subsection (c) of this section, the additional appointments are necessary to achieve compliance with 24 CFR 964.415 or section 9-167a. The commissioners who are first so appointed shall be designated to serve for a term of either one, two, three, four or five years, except that if the authority has five members, the terms of not more than one member

Substitute Senate Bill No. 998

shall expire in the same year. Terms shall commence on the first day of the month next succeeding the date of their appointment, and annually thereafter a commissioner shall be appointed to serve for five years except that any vacancy which may occur because of a change of residence by a commissioner, removal of a commissioner, resignation or death shall be filled for the unexpired portion of the term. If a governing body increases the membership of the authority on or after July 1, 1995, such governing body shall, by resolution, provide for a term of five years for each such additional member. The term of the chairman shall be three years. At least one of such commissioners of an authority having five members, and at least two of such commissioners of an authority having more than five members, shall be a tenant or tenants of the authority selected pursuant to subsection (c) of this section. If, on October 1, 1979, a municipality has adopted a resolution as described in section 8-40, but has no tenants serving as commissioners, the chief executive officer of a municipality other than a town or the governing body of a town shall appoint a tenant who meets the qualifications set out in this section as a commissioner of such authority when the next vacancy occurs. No commissioner of an authority may hold any public office in the municipality for which the authority is created. A commissioner shall hold office until [said] such commissioner's successor is appointed and has qualified. Not later than January 1, 2024, each commissioner who is serving on said date and, thereafter, upon appointment, each newly appointed commissioner who is not a reappointed commissioner, shall participate in a training for housing authority commissioners provided by an industry-recognized training provider. A certificate of the appointment or reappointment of any commissioner shall be filed with the clerk and shall be conclusive evidence of the legal appointment of such commissioner, after said commissioner has taken an oath in the form prescribed in the first paragraph of section 1-25. The powers of each authority shall be vested in the commissioners thereof. Three commissioners shall constitute a quorum if the authority consists of five commissioners. Four

Substitute Senate Bill No. 998

commissioners shall constitute a quorum if the authority consists of more than five commissioners. Action may be taken by the authority upon a vote of not less than a majority of the commissioners present [,] unless the bylaws of the authority require a larger number. The chief executive officer, or, in the case of an authority for a town, the governing body of the town, shall designate which of the commissioners shall be the first chairman, but when the office of chairman of the authority becomes vacant, the authority shall select a chairman from among its commissioners. An authority shall select from among its commissioners a vice chairman, and it may employ a secretary, who shall be executive director, and technical experts and such other officers, agents and employees, permanent and temporary, as it requires, and shall determine their qualifications, duties and compensation, provided, in municipalities having a civil service law, all appointments and promotions, except the employment of the secretary, shall be based on examinations given and lists prepared under such law, and, except so far as may be inconsistent with the terms of this chapter, such civil service law and regulations adopted thereunder shall apply to such housing authority and its personnel. For such legal services as it requires, an authority may employ its own counsel and legal staff. An authority may delegate any of its powers and duties to one or more of its agents or employees. A commissioner, or any employee of the authority who handles its funds, shall be required to furnish an adequate bond. The commissioners shall serve without compensation, but shall be entitled to reimbursement for their actual and necessary expenses incurred in the performance of their official duties.

Sec. 12. Section 8-68f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

Each housing authority [which] that receives financial assistance under any state housing program, and the Connecticut Housing Finance Authority or its subsidiary when said authority or subsidiary is the

Substitute Senate Bill No. 998

successor owner of housing previously owned by a housing authority under part II or part VI of this chapter, shall, for housing which it owns and operates, (1) provide each of its tenants with a written lease, (2) provide each of its tenants, at the time the tenant signs an initial lease and annually thereafter, with contact information for the management of the housing authority, the local health department and the Commission on Human Rights and Opportunities, and a copy of the guidance concerning the rights and responsibilities of landlords and tenants that is posted on the Internet web site of the judicial branch, (3) adopt a procedure for hearing tenant complaints and grievances, [(3)] (4) adopt procedures for soliciting tenant comment on proposed changes in housing authority policies and procedures, including changes to its lease and to its admission and occupancy policies, and [(4)] (5) encourage tenant participation in the housing authority's operation of state housing programs, including, where appropriate, the facilitation of tenant participation in the management of housing projects. If such housing authority or the Connecticut Housing Finance Authority or its subsidiary operates both a federal and a state-assisted housing program, it shall use the same procedure for hearing tenant grievances in both programs. The Commissioner of Housing shall adopt regulations₂ in accordance with the provisions of chapter 54₂ to establish uniform minimum standards for the requirements in this section.

Sec. 13. (NEW) (*Effective October 1, 2023*) (a) The Commissioner of Housing shall, within existing appropriations, develop standardized rental agreement forms that may be used by landlords and tenants in the state. Such forms shall contain the essential terms of a rental agreement between any landlord and any tenant, be designed to be easily read and understood and include plain language explanations of all terms and conditions of the agreement, including, but not limited to, rent, fees, deposits and other charges. The commissioner shall make such forms available in both English and Spanish and shall post such forms on the Department of Housing's Internet web site not later than

Substitute Senate Bill No. 998

July 1, 2024, and shall revise such forms from time to time, at the commissioner's discretion.

(b) Not later than December 1, 2028, the commissioner shall (1) translate the forms developed pursuant to subsection (a) of this section into the five most commonly spoken languages in the state, as determined by the commissioner, and (2) post such translations on the Department of Housing's Internet web site not later than December 1, 2028.

Sec. 14. Section 47a-58 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) Any enforcing agency may issue a notice of violation to any person who violates any provision of this chapter or a provision of a local housing code. If an enforcing agency issues an order to a registrant, such order may be delivered in accordance with section 7-148ii, provided nothing in this section shall preclude an enforcing agency from providing notice in another manner permitted by applicable law. Such notice shall specify each violation and specify the last day by which such violation shall be corrected. The date specified shall not be less than three weeks from the date of mailing of such notice, provided that in the case of a condition, which in the judgment of the enforcing agency is or in its effect is dangerous or detrimental to life or health, the date specified shall not be more than five days from the date of mailing of such notice. The enforcing agency may postpone the last day by which a violation shall be corrected upon a showing by the owner or other responsible person that he has begun to correct the violation but that full correction of the violation cannot be completed within the time provided because of technical difficulties, inability to obtain necessary materials or labor or inability to gain access to the dwelling unit wherein the violation exists.

(b) When the owner or other responsible person has corrected such

Substitute Senate Bill No. 998

violation, the owner or other responsible person shall promptly, but not later than two weeks after such correction, report to the enforcing agency in writing, indicating the date when each violation was corrected. It shall be presumed that the violation was corrected on the date so indicated, unless a subsequent inspection by the enforcing agency again reveals the existence of the condition giving rise to the earlier notice of violation.

(c) Any person who fails to correct any violation prior to the date set forth in the notice of violation shall be subject to a cumulative civil penalty of five dollars per day for each violation from the date set for correction in the notice of violation to the date such violation is corrected, except that in any case, the penalty shall not exceed one hundred dollars per day and the total penalty shall not exceed seven thousand five hundred dollars. The penalty may be collected by the enforcing agency by action against the owner or other responsible person or by an action against the real property. An action against the owner may be joined with an action against the real property.

(d) In addition to the penalties specified in this section, the enforcing agency may enforce the provisions of this chapter or a local housing code by injunctive relief pursuant to chapter 916.

(e) (1) Any penalty imposed by an enforcing agency pursuant to the provisions of subsection (c) of this section, and remaining unpaid for a period of sixty days after its due date, shall constitute a lien upon the real property against which the penalty was imposed, provided a notice of violation is recorded in the land records and indexed in the name of the property owner no later than thirty days after the penalty was imposed.

(2) Each such notice of violation shall be effective from the time of the recording on the land records. Each lien shall take precedence over all transfers and encumbrances recorded after such time.

Substitute Senate Bill No. 998

(3) Any municipal lien pursuant to the provisions of this section may be foreclosed in the same manner as a mortgage.

(4) Any municipal lien pursuant to this section may be discharged or dissolved in the manner provided in sections 49-35a to 49-37, inclusive.

(f) Any enforcing agency imposing a penalty pursuant to subsection (c) of this section shall maintain a current record of all properties with respect to which such penalty remains unpaid in the office of such agency. Such record shall be available for inspection by the public.

(g) Each enforcing agency empowered to enforce any provision of this chapter or any provision of a local housing code shall create and make available housing code violation complaint forms, written in both English and Spanish, for use by any occupant of a dwelling unit seeking to file a complaint against the owner of such unit, or other responsible party, concerning such violations.

Sec. 15. Section 8-68d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

Each housing authority shall submit a report to the Commissioner of Housing and the chief executive officer of the municipality in which the authority is located not later than March first, annually. The report shall contain (1) an inventory of all existing housing owned or operated by the authority, including the total number, types and sizes of rental units and the total number of occupancies and vacancies in each housing project or development, and a description of the condition of such housing, (2) a description of any new construction projects being undertaken by the authority and the status of such projects, (3) the number and types of any rental housing sold, leased or transferred during the period of the report which is no longer available for the purpose of low or moderate income rental housing, (4) the results of the authority's annual audit conducted in accordance with section 4-231 if

Substitute Senate Bill No. 998

required by said section, and ~~[(4)]~~ (5) such other information as the commissioner may require by regulations adopted in accordance with the provisions of chapter 54.

Sec. 16. Subsections (a) and (b) of section 47a-6a of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) As used in this section, (1) "address" means a location as described by the full street number, if any, the street name, the city or town, and the state, and not a mailing address such as a post office box, (2) "dwelling unit" means any house or building, or portion thereof, which is rented, leased or hired out to be occupied, or is arranged or designed to be occupied, or is occupied, as the home or residence of one or more persons, living independently of each other, and doing their cooking upon the premises, and having a common right in the halls, stairways or yards, (3) "agent in charge" or "agent" means one who manages real estate, including, but not limited to, the collection of rents and supervision of property, (4) "controlling participant" means an individual [or entity] that exercises day-to-day financial or operational control, and (5) "project-based housing provider" means a property owner who contracts with the United States Department of Housing and Urban Development to provide housing to tenants under the federal Housing Choice Voucher Program, 42 USC 1437f(o).

(b) Any municipality may require the nonresident owner or project-based housing provider of occupied or vacant rental real property to [maintain on file in the office of] report to the tax assessor, or other municipal office designated by the municipality, the current residential address of the nonresident owner or project-based housing provider of such property, if the nonresident owner or project-based housing provider is an individual, or the current residential address of the agent in charge of the building, if the nonresident owner or project-based housing provider is a corporation, partnership, trust or other legally

Substitute Senate Bill No. 998

recognized entity owning rental real property in the state. [In the case of a] If the nonresident owners or project-based housing [provider, such information] providers are a corporation, partnership, trust or other legally recognized entity owning rental real property in the state, such report shall also include identifying information and the current residential address of each controlling participant associated with the property. [except that, if such controlling participant is a corporation, partnership, trust or other legally recognized entity, the project-based housing provider shall include the identifying information and the current residential address of an individual who exercises day-to-day financial or operational control of such entity.] If such residential address changes, notice of the new residential address shall be provided by such nonresident owner, project-based housing provider or agent in charge of the building to the office of the tax assessor or other designated municipal office not more than twenty-one days after the date that the address change occurred. If the nonresident owner, project-based housing provider or agent fails to file an address under this section, the address to which the municipality mails property tax bills for the rental real property shall be deemed to be the nonresident owner, project-based housing provider or agent's current address. Such address may be used for compliance with the provisions of subsection (c) of this section.

(c) Any report provided to a tax assessor pursuant to subsection (b) of this section on or after October 1, 2023, shall be confidential and shall not be disclosed under chapter 14 of the general statutes.

Sec. 17. (NEW) (*Effective October 1, 2023*) (a) There shall be an Office of Responsible Growth within the Intergovernmental Policy Division of the Office of Policy and Management.

(b) The Office of Responsible Growth shall be responsible for the following:

Substitute Senate Bill No. 998

(1) Collecting, analyzing and disseminating information to assist in the ongoing development of responsible growth goals for the Governor, Continuing Committee on State Planning and Development, state and regional agencies, local governments and the public;

(2) Coordinating the development of state agency policy, planning and programming to improve outcomes and make efficient use of state resources and expertise through the development and implementation of the state plan of conservation and development pursuant to chapters 297 and 297a of the general statutes;

(3) Administering the responsibilities under the Connecticut Environmental Policy Act that have been assigned to the Office of Policy and Management, as set forth in sections 22a-1 to 22a-1h, inclusive, of the general statutes;

(4) Facilitating interagency coordination in matters involving land and water resources and infrastructure improvements, among other activities;

(5) Facilitating coordination between the state, planning regions and municipalities on matters of development and conservation by serving as a state liaison to regional councils of governments;

(6) Providing staff support to boards, committees and other groups deemed appropriate by the Secretary of the Office of Policy and Management, such as the Advisory Commission on Intergovernmental Relations and the State Water Planning Council;

(7) Administering grant programs, as deemed appropriate by the secretary, such as responsible growth and transit-oriented development and regional performance incentive grant programs; and

(8) Performing other duties as deemed appropriate by the secretary to address current and emerging development and conservation issues.

Substitute Senate Bill No. 998

(c) The secretary shall designate a member of the secretary's staff to serve as the State Responsible Growth Coordinator to oversee the Office of Responsible Growth.

(d) The Office of Responsible Growth established pursuant to this section shall constitute a successor agency to the office established by Executive Order No. 15 of Governor M. Jodi Rell, in accordance with section 4-38d of the general statutes.

Sec. 18. (NEW) (*Effective July 1, 2023*) (a) As used in this section:

(1) "Affordable housing unit" means a dwelling unit conveyed by an instrument containing a covenant or restriction that requires such dwelling unit to be sold or rented at or below a price intended to preserve such unit as housing for a low-income household;

(2) "Commission", "zoning commission" or "zoning authority" means a zoning commission, planning commission, planning and zoning commission, zoning board of appeals or other municipal agency exercising zoning or planning authority;

(3) "Commissioner" means the Commissioner of Housing, unless otherwise specified;

(4) "Dwelling unit" means any house or building, or portion thereof, which is occupied, is designed to be occupied, or is rented, leased or hired out to be occupied, as a home or residence of one or more persons;

(5) "Median income" is the state median income, as determined by the United States Department of Housing and Urban Development;

(6) "Multifamily housing" means a residential building that contains three or more dwelling units;

(7) "Municipal fair share allocation" means the portion of the minimum need for affordable housing units in a planning region, as

Substitute Senate Bill No. 998

determined pursuant to subsection (b) of this section, that is allocated to a municipality located within such planning region;

(8) "Planning region" means a planning region of the state, as defined or redefined by the Secretary of the Office of Policy and Management, or the secretary's designee, under the provisions of section 16a-4a of the general statutes, except the Metropolitan and Western planning regions shall be considered a single planning region; and

(9) "Secretary" means the Secretary of the Office of Policy and Management.

(b) (1) Not later than December 1, 2024, the secretary, in consultation with the Commissioners of Housing and Economic and Community Development and, as may be determined by the secretary, experts, advocates, state-wide organizations that represent municipalities, organizations with expertise in affordable housing, fair housing and planning and zoning, shall establish a methodology for each municipality's fair share allocation by:

(A) Determining the need for affordable housing units in each planning region; and

(B) Fairly allocating such need to the municipalities in each planning region considering the duty of the state and municipalities to affirmatively further fair housing pursuant to section 8-2 of the general statutes and 42 USC 3608. Such methodology shall rely on data from the Comprehensive Housing Affordability Strategy data set published by the United States Department of Housing and Urban Development, or from a similar source as may be determined by the secretary.

(2) The secretary shall ensure that the fair share allocation methodology:

(A) Is designed with due consideration for the duty of the state and

Substitute Senate Bill No. 998

each municipality to affirmatively further fair housing in accordance with section 8-2 of the general statutes and 42 USC 3608;

(B) Relies on appropriate metrics of the minimum need for affordable housing units in a planning region to ensure adequate housing options, including the number of households whose income is not greater than thirty per cent of the area median income and whose housing costs constitute fifty per cent or more of such household's income;

(C) Relies on appropriate factors for fairly allocating such need to each municipality within each planning region, including a municipality's compliance with the requirements of sections 8-2 and 8-23 of the general statutes with regard to promoting housing choice and economic diversity in housing, including housing for both low and moderate income households, and encouraging the development of housing which meets the identified housing needs and the development of housing opportunities, including opportunities for multifamily housing, for all residents of the municipality and the planning region in which the municipality is located;

(D) Does not assign a fair share allocation to any municipality with a federal poverty rate of twenty per cent or greater based on data reported in the most recent United States decennial census or similar source; and

(E) Increases the municipal fair share allocation of a municipality if such municipality, when compared to other municipalities in the same planning region, has:

(i) A greater dollar value of the ratable real and personal property, as reflected by its equalized net grand list, calculated in accordance with the provisions of section 10-261a of the general statutes, for residential, commercial, industrial, public utility and vacant land;

(ii) A higher median income, based on data reported in the most recent United States decennial census or similar source;

Substitute Senate Bill No. 998

(iii) A lower percentage of its population that is below the federal poverty threshold, based on data reported in such census or similar source; or

(iv) A lower percentage of its population that lives in multifamily housing, based on data reported in such census or similar source.

(3) (A) Not later than December 1, 2024, the secretary, in consultation with the Commissioners of Housing and Economic and Community Development, shall, using the methodology established pursuant to this subsection, determine the minimum need for affordable housing units for each planning region and a municipal fair share allocation for each municipality within each planning region.

(B) No municipal fair share allocation determined pursuant to subparagraph (A) of this subdivision shall exceed twenty per cent of the occupied dwelling units in such municipality.

(c) The secretary shall submit the methodology established pursuant to subsection (b) of this section to the joint standing committees of the General Assembly having cognizance of matters relating to planning and development and housing, in accordance with the provisions of section 11-4a of the general statutes, and each chamber of the General Assembly for approval.

Sec. 19. (NEW) (*Effective October 1, 2023*) (a) The Commissioner of Housing, within available appropriations, and in consultation with the Connecticut Housing Finance Authority and representatives of any public housing authority in the state selected by the commissioner, shall establish a program to encourage and recruit owners of rental real property to accept from prospective tenants any federal Housing Choice Voucher, rental assistance program certificate or payment from any other program administered by the state that provides rental payment subsidies for residential dwellings. Such program may include, but need

Substitute Senate Bill No. 998

not be limited to, advertisements, community outreach events and communications to owners of rental real property who utilize other programs concerning such property administered by the state.

(b) Not later than October 1, 2024, and annually thereafter, the commissioner shall submit a report concerning (1) the status of the program, including an analysis of the effectiveness of the program in recruiting owners of rental real property to accept vouchers, certificates and any other rental payment subsidies, and (2) the commissioner's recommendations concerning the program to the joint standing committee of the General Assembly having cognizance of matters relating to housing, in accordance with the provisions of section 11-4a of the general statutes.

Sec. 20. (*Effective from passage*) (a) The Commissioner of Housing shall, within available appropriations, conduct a study on methods to improve the efficiency of processing applications for the rental assistance program. In conducting the study, the commissioner shall consider the following:

(1) An analysis of the current processing time for rental assistance applications, including, but not limited to, relevant inspection timelines;

(2) An assessment of the current application process, including any barriers or challenges to applicants or rental real property owners;

(3) Recommendations for improving the efficiency of the application process, including the use of technology and alternative processing methods; and

(4) An estimate of the cost associated with implementing any recommended improvements.

(b) Not later than January 1, 2024, the commissioner shall submit a report on the commissioner's findings and recommendations to the joint

Substitute Senate Bill No. 998

standing committee of the General Assembly having cognizance of matters relating to housing, in accordance with the provisions of section 11-4a of the general statutes. The report shall include the findings of the commissioner and the commissioner's recommendations for improving the efficiency of processing applications for the rental assistance program.

Sec. 21. Section 8-345 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

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

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

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

(d) The commissioner may designate a portion of the rental assistance available under the program for tenant-based and project-based supportive housing units. To the extent practicable rental assistance for

Substitute Senate Bill No. 998

supportive housing shall adhere to the requirements of the federal Housing Choice Voucher Program, 42 USC 1437f(o), relative to calculating the tenant's share of the rent to be paid.

(e) The commissioner shall administer the program under this section to promote housing choice for certificate holders and encourage racial and economic integration. The commissioner shall affirmatively seek to expend all funds appropriated for the program on an annual basis without regard to population limitation established in prior years. The commissioner shall establish maximum rent levels for each municipality in a manner that promotes the use of the program in all municipalities. Any certificate issued pursuant to this section may be used for housing in any municipality in the state. The commissioner shall inform certificate holders that a certificate may be used in any municipality and, to the extent practicable, the commissioner shall assist certificate holders in finding housing in the municipality of their choice.

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

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

(h) Any person aggrieved by a decision of the commissioner or the commissioner's agent pursuant to the program under this section shall have the right to a hearing in accordance with the provisions of section 8-37gg.

Sec. 22. (NEW) (*Effective July 1, 2023*) The Department of Veterans Affairs shall, within available appropriations, convert, rehabilitate and renovate vacant, underused or otherwise available properties for the

Substitute Senate Bill No. 998

purpose of housing homeless or housing insecure veterans, and shall build, improve or remediate infrastructure as necessary to support such properties for residential use.

Sec. 23. (NEW) (*Effective July 1, 2024, and applicable to any summary process action disposed of before or after such date*) (a) In any summary process action instituted pursuant to chapter 832 or 412 of the general statutes, not more than thirty days after (1) the withdrawal of such action, (2) a judgment of dismissal or nonsuit of such action upon any grounds, or (3) a final disposition of such action that includes a judgment for the defendant, the Judicial Department shall remove from its Internet web site any record or identifying information concerning such summary process action.

(b) If there is any activity in a case that has had any record or identifying information associated with such case removed pursuant to subsection (a) of this section, or if a case continues beyond the date upon which any such record or information is required to be removed pursuant to subsection (a) of this section because of an appeal, the Judicial Department shall restore the case to, or retain the case on, the Judicial Department Internet web site, together with any such record and information associated with such case. For any record and identifying information restored or retained on the Judicial Department Internet web site pursuant to this subsection, any such record or information shall remain on such web site for thirty days after the final disposition of the associated case, or for the applicable time period from the original disposition specified in subsection (a) of this section, whichever is later.

(c) Any record or identifying information concerning any summary process action that has been removed from the Judicial Department Internet web site pursuant to this section shall not be included in any sale or transfer of bulk case records by the Judicial Department to any person or entity purchasing such records for any commercial purpose.

Substitute Senate Bill No. 998

(d) No person or entity shall, for any commercial purpose, disclose any record or identifying information concerning any summary process action that has been removed from the Judicial Department Internet web site pursuant to subsection (a) of this section. As used in this section, "commercial purpose" means (1) the individual or bulk sale of any record or identifying information concerning any summary process action, (2) the making of consumer reports containing any such record or information, (3) any use related to screening any prospective tenant to determine the suitability of such prospective tenant, and (4) any other use of any such record or information for pecuniary gain, but does not include the use of any such record or information for governmental, scholarly, educational, journalistic or any other noncommercial purpose.

(e) Nothing in this section shall preclude the publication of any formal written judicial opinion by the Judicial Department or by any case reporting service.

Sec. 24. Section 12-494 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) There is imposed a tax on each deed, instrument or writing, whereby any lands, tenements or other realty is granted, assigned, transferred or otherwise conveyed to, or vested in, the purchaser, or any other person by such purchaser's direction, when the consideration for the interest or property conveyed equals or exceeds two thousand dollars:

(1) Subject to the provisions of subsection (b) of this section, at the rate of three-quarters of one per cent of the consideration for the interest in real property conveyed by such deed, instrument or writing, the revenue from which shall be remitted by the town clerk of the municipality in which such tax is paid, not later than ten days following receipt thereof, to the Commissioner of Revenue Services for deposit to

Substitute Senate Bill No. 998

the credit of the state General Fund; and

(2) At the rate of one-fourth of one per cent of the consideration for the interest in real property conveyed by such deed, instrument or writing, provided the amount imposed under this subdivision shall become part of the general revenue of the municipality in accordance with section 12-499.

(b) The rate of tax imposed under subdivision (1) of subsection (a) of this section shall, in lieu of the rate under said subdivision (1), be imposed on certain conveyances as follows:

(1) In the case of any conveyance of real property which at the time of such conveyance is used for any purpose other than residential use, except unimproved land, the tax under said subdivision (1) shall be imposed at the rate of one and one-quarter per cent of the consideration for the interest in real property conveyed;

(2) In the case of any conveyance in which the real property conveyed is a residential estate, including a primary dwelling and any auxiliary housing or structures, regardless of the number of deeds, instruments or writings used to convey such residential real estate, for which the consideration or aggregate consideration, as the case may be, in such conveyance is eight hundred thousand dollars or more, the tax under said subdivision (1) shall be imposed:

(A) At the rate of three-quarters of one per cent on that portion of such consideration up to and including the amount of eight hundred thousand dollars;

(B) Prior to July 1, 2020, at the rate of one and one-quarter per cent on that portion of such consideration in excess of eight hundred thousand dollars; and

(C) On and after July 1, 2020, (i) at the rate of one and one-quarter per

Substitute Senate Bill No. 998

cent on that portion of such consideration in excess of eight hundred thousand dollars up to and including the amount of two million five hundred thousand dollars, and (ii) at the rate of two and one-quarter per cent on that portion of such consideration in excess of two million five hundred thousand dollars; and

(3) In the case of any conveyance in which real property on which mortgage payments have been delinquent for not less than six months is conveyed to a financial institution or its subsidiary that holds such a delinquent mortgage on such property, the tax under said subdivision (1) shall be imposed at the rate of three-quarters of one per cent of the consideration for the interest in real property conveyed. For the purposes of subdivision (1) of this subsection, "unimproved land" includes land designated as farm, forest or open space land.

(c) In addition to the tax imposed under subsection (a) of this section, any targeted investment community, as defined in section 32-222, or any municipality in which properties designated as manufacturing plants under section 32-75c are located, may, on or after March 15, 2003, impose an additional tax on each deed, instrument or writing, whereby any lands, tenements or other realty is granted, assigned, transferred or otherwise conveyed to, or vested in, the purchaser, or any other person by [his] such purchaser's direction, when the consideration for the interest or property conveyed equals or exceeds two thousand dollars, which additional tax shall be at a rate of up to one-fourth of one per cent of the consideration for the interest in real property conveyed by such deed, instrument or writing. The revenue from such additional tax shall become part of the general revenue of the municipality in accordance with section 12-499.

(d) On and after July 1, 2025, the Comptroller shall transfer from the General Fund to the Housing Trust Fund established under section 8-3360, any revenue received by the state each fiscal year in excess of three hundred million dollars from the tax imposed under subdivision (1) of

Substitute Senate Bill No. 998

subsection (a) and subsections (b) and (c) of this section. On and after July 1, 2026, the threshold amount in this subsection shall be adjusted annually by the percentage increase in inflation. As used in this subdivision, "increase in inflation" means the increase in the consumer price index for all urban consumers during the preceding calendar year, calculated on a December over December basis, using data reported by the United States Bureau of Labor Statistics.

Sec. 25. Section 12-498 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) The tax imposed by section 12-494, as amended by this act, shall not apply to:

(1) Deeds [which] that this state is prohibited from taxing under the Constitution or laws of the United States;

(2) Deeds [which] that secure a debt or other obligation;

(3) Deeds to which this state or any of its political subdivisions or its or their respective agencies is a party;

(4) Tax deeds;

(5) Deeds of release of property [which] that is security for a debt or other obligation;

(6) Deeds of partition;

(7) Deeds made pursuant to mergers of corporations;

(8) Deeds made by a subsidiary corporation to its parent corporation for no consideration other than the cancellation or surrender of the subsidiary's stock;

(9) Deeds made pursuant to a decree of the Superior Court under

Substitute Senate Bill No. 998

section 46b-81, 49-24 or 52-495 or pursuant to a judgment of foreclosure by market sale under section 49-24 or pursuant to a judgment of loss mitigation under section 49-30t or 49-30u;

(10) Deeds, when the consideration for the interest or property conveyed is less than two thousand dollars;

(11) Deeds between affiliated corporations, provided both of such corporations are exempt from taxation pursuant to paragraph (2), (3) or (25) of Section 501(c) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time;

(12) Deeds made by a corporation [which] that is exempt from taxation pursuant to paragraph (3) of Section 501(c) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, to any corporation which is exempt from taxation pursuant to said paragraph (3) of said Section 501(c);

(13) Deeds made to any nonprofit organization [which] that is organized for the purpose of holding undeveloped land in trust for conservation or recreation purposes;

(14) Deeds between spouses;

(15) Deeds of property for the Adriaen's Landing site or the stadium facility site, for purposes of the overall project, each as defined in section 32-651;

(16) Land transfers made on or after July 1, 1998, to a water company, as defined in section 16-1, provided the land is classified as class I or class II land, as defined in section 25-37c, after such transfer;

(17) Transfers or conveyances to effectuate a mere change of identity

Substitute Senate Bill No. 998

or form of ownership or organization, where there is no change in beneficial ownership;

(18) Conveyances of residential property [which] that occur not later than six months after the date on which the property was previously conveyed to the transferor if the transferor is (A) an employer [which] that acquired the property from an employee pursuant to an employee relocation plan, or (B) an entity in the business of purchasing and selling residential property of employees who are being relocated pursuant to such a plan;

(19) Deeds in lieu of foreclosure that transfer the transferor's principal residence;

(20) Any instrument that transfers the transferor's principal residence where the gross purchase price is insufficient to pay the sum of (A) mortgages encumbering the property transferred, and (B) any real property taxes and municipal utility or other charges for which the municipality may place a lien on the property and [which] that have priority over the mortgages encumbering the property transferred; [and]

(21) Deeds that transfer the transferor's principal residence, where such residence has a concrete foundation that has deteriorated due to the presence of pyrrhotite and such transferor has obtained a written evaluation from a professional engineer licensed pursuant to chapter 391 indicating that the foundation of such residence was made with defective concrete. The exemption authorized under this subdivision shall (A) apply to the first transfer of such residence after such written evaluation has been obtained, and (B) not be available to a transferor who has received financial assistance to repair or replace such foundation from the Crumbling Foundations Assistance Fund established under section 8-441; and

Substitute Senate Bill No. 998

(22) Deeds of property with dwelling units where all such units are deed restricted as affordable housing, as defined in section 8-39a. For deeds of property with dwelling units where a portion of such units are subject to such deed restrictions, the exemption authorized under this subdivision shall apply only with respect to the dwelling units subject to such deed restrictions and such exemption shall be reduced proportionally based on the number of units not subject to such deed restrictions.

(b) The tax imposed by subdivision (1) of subsection (a) of section 12-494, as amended by this act, shall not apply to:

(1) Deeds of the principal residence of any person approved for assistance under section 12-129b or 12-170aa for the current assessment year of the municipality in which such person resides or to any such transfer [which] that occurs within fifteen months of the completion of any municipal assessment year for which such person qualified for such assistance;

(2) Deeds of property located in an area designated as an enterprise zone in accordance with section 32-70; and

(3) Deeds of property located in an entertainment district designated under section 32-76 or established under section 2 of public act 93-311.

Sec. 26. Section 46a-81e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) It shall be a discriminatory practice in violation of this section:

(1) To refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of sexual orientation or civil union status.

Substitute Senate Bill No. 998

(2) To discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of sexual orientation or civil union status.

(3) To make, print or publish, or cause to be made, printed or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on sexual orientation or civil union status, or an intention to make any such preference, limitation or discrimination.

(4) (A) To represent to any person because of sexual orientation or civil union status, that any dwelling is not available for inspection, sale or rental when such dwelling is in fact so available. (B) It shall be a violation of this subdivision for any person to restrict or attempt to restrict the choices of any buyer or renter to purchase or rent a dwelling (i) to an area which is substantially populated, even if less than a majority, by persons of the same sexual orientation or civil union status as the buyer or renter, (ii) while such person is authorized to offer for sale or rent another dwelling which meets the housing criteria as expressed by the buyer or renter to such person and (iii) such other dwelling is in an area which is not substantially populated by persons of the same sexual orientation or civil union status as the buyer or renter. As used in this subdivision, "area" means municipality, neighborhood or other geographic subdivision which may include an apartment or condominium complex.

(5) For profit, to induce or attempt to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person or persons of a particular sexual orientation or civil union status.

(6) For any person or other entity engaging in residential-real-estate-related transactions to discriminate against any person in making

Substitute Senate Bill No. 998

available such a transaction, or in the terms or conditions of such a transaction, because of sexual orientation or civil union status.

(7) To deny any person access to or membership or participation in any multiple-listing service, real estate brokers' organization or other service, organization, or facility relating to the business of selling or renting dwellings, or to discriminate against him in the terms or conditions of such access, membership or participation, on account of sexual orientation or civil union status.

(8) To coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of his having exercised or enjoyed, or on account of his having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by this section.

[(b) The provisions of this section shall not apply to (1) the rental of a room or rooms in a unit in a dwelling if the owner actually maintains and occupies part of such unit as his residence, or (2) a unit in a dwelling containing not more than four units if the owner actually maintains and occupies one of such other units as his residence.]

[(c)] (b) Nothing in this section limits the applicability of any reasonable state statute or municipal ordinance restricting the maximum number of persons permitted to occupy a dwelling.

[(d)] (c) Nothing in this section prohibits a person engaged in the business of furnishing appraisals of real property to take into consideration factors other than sexual orientation or civil union status.

[(e)] (d) Notwithstanding any other provision of this chapter, complaints alleging a violation of this section shall be investigated within one hundred days of filing and a final administrative disposition shall be made within one year of filing unless it is impracticable to do so. If the Commission on Human Rights and Opportunities is unable to

Substitute Senate Bill No. 998

complete its investigation or make a final administrative determination within such time frames, it shall notify the complainant and the respondent in writing of the reasons for not doing so.

[(f)] (e) Any person who violates any provision of this section shall be guilty of a class D misdemeanor.

Sec. 27. Subsection (g) of section 22a-430 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(g) The commissioner shall, by regulation adopted prior to October 1, 1977, establish and define categories of discharges [which] that constitute household and small commercial subsurface sewage disposal systems for which [he] the commissioner shall delegate to the Commissioner of Public Health the authority to issue permits or approvals and to hold public hearings in accordance with this section, on and after said date. Not later than July 1, 2025, the commissioner shall amend such regulations to establish and define categories of discharges that constitute small community sewerage systems and household and small commercial subsurface sewage disposal systems. The Commissioner of Public Health shall, pursuant to section 19a-36, establish minimum requirements for small community sewerage systems and household and small commercial subsurface sewage disposal systems and procedures for the issuance of such permits or approvals by the local director of health or a sanitarian registered pursuant to chapter 395. As used in this subsection, small community sewerage systems and household and small commercial disposal systems shall include those subsurface sewage disposal systems with a capacity of [seven thousand five hundred] ten thousand gallons per day or less. Notwithstanding any provision of the general statutes [or regulations of Connecticut state agencies,] (1) the regulations adopted by the commissioner pursuant to this subsection that are in effect as of July 1, 2017, shall apply to household and small commercial subsurface

Substitute Senate Bill No. 998

sewage disposal systems with a capacity of seven thousand five hundred gallons per day or less, and (2) the regulations adopted by the commissioner pursuant to this subsection that are in effect as of July 1, 2025, shall apply to small community sewerage systems, household systems and small commercial subsurface sewerage disposal systems with a capacity of ten thousand gallons per day or less. Any permit denied by the Commissioner of Public Health, or a director of health or registered sanitarian shall be subject to hearing and appeal in the manner provided in section 19a-229. Any permit granted by [said] the Commissioner of Public Health, or a director of health or registered sanitarian on or after October 1, 1977, shall be deemed equivalent to a permit issued under subsection (b) of this section.

Sec. 28. (NEW) (*Effective June 1, 2024*) (a) As used in this section:

(1) "Commissioner" means the Commissioner of Housing.

(2) "Eligible workforce housing opportunity development project" or "project" means a project for the construction or substantial rehabilitation of rental housing (A) located within an opportunity zone in this state, (B) designated under subsection (e) of this section for certain professions that work within the municipality in which the project is located and for very low income families and individuals, and (C) that may incorporate renewable energy technology and be transit-oriented.

(3) "Substantial rehabilitation" means either (A) the costs of any repair, replacement or improvement to a building that exceeds twenty-five per cent of the value of such building after the completion of all such repairs, replacements or improvements, or (B) the replacement of two or more of the following: (i) Roof structures, (ii) ceilings, (iii) wall or floor structures, (iv) foundations, (v) plumbing systems, (vi) heating and air conditioning systems, or (vii) electrical systems.

Substitute Senate Bill No. 998

(4) "Opportunity zone" means an area designated as a qualified opportunity zone pursuant to the Tax Cuts and Jobs Act of 2017, P.L. 115-97, as amended from time to time.

(5) "Eligible developer" or "developer" means (A) a nonprofit corporation; (B) any business corporation incorporated pursuant to chapter 601 of the general statutes, (i) that has as one of its purposes the construction, rehabilitation, ownership or operation of housing, and (ii) either certified under this section or that has articles of incorporation approved by the commissioner in accordance with regulations adopted pursuant to section 8-79a or 8-84 of the general statutes; (C) any partnership, limited partnership, limited liability partnership, joint venture, trust, limited liability company or association, (i) that has as one of its purposes the construction, rehabilitation, ownership or operation of housing, and (ii) either certified under this section or that has basic documents of organization approved by the commissioner in accordance with regulations adopted pursuant to section 8-79a or 8-84 of the general statutes; (D) a housing authority; or (E) a municipal developer.

(6) "Authority" or "housing authority" means any of the public corporations created by section 8-40 of the general statutes, and the Connecticut Housing Authority when exercising the rights, powers, duties or privileges of, or subject to the immunities or limitations of, housing authorities pursuant to section 8-121 of the general statutes.

(7) "Nonprofit corporation" means a nonprofit corporation incorporated pursuant to chapter 602 of the general statutes or any predecessor statutes thereto, that has as one of its purposes the construction, rehabilitation, ownership or operation of housing and that has articles of incorporation approved by the Commissioner of Housing in accordance with regulations adopted pursuant to section 8-79a or 8-84 of the general statutes or that is certified under this section.

Substitute Senate Bill No. 998

(8) "Municipal developer" means a municipality that has not declared by resolution a need for a housing authority pursuant to section 8-40 of the general statutes, acting by and through its legislative body. "Municipal developer" means the board of selectmen if such board is authorized to act as the municipal developer by the town meeting or representative town meeting.

(9) "Very low income families and individuals" means families or individuals whose income is thirty per cent or less of the area median income.

(10) "Market rate" means the rental income that such property would most probably command on the open market as indicated by current rentals in the opportunity zone being paid for comparable space.

(b) There is established a workforce housing opportunity development program to be administered by the Department of Housing under which individuals or entities who make cash contributions to an eligible developer for an eligible workforce housing opportunity development project located in a federally designated opportunity zone may be allowed a credit against the tax due under chapter 208 or 229 of the general statutes in an amount equal to the amount specified by the commissioner under this section. Any developer of a workforce housing opportunity development project shall be allowed an exemption from any fees under section 29-263 of the general statutes, as amended by this act, and any eligible workforce housing opportunity development project shall be assessed using the capitalization of net income method under subsection (b) of section 12-63b of the general statutes, as amended by this act.

(c) The Commissioner of Housing shall determine eligibility criteria for such program and establish an application process for the program. The Department of Housing shall commence accepting applications for such program not later than January 1, 2025. A developer may apply to

Substitute Senate Bill No. 998

the Department of Housing for certification as a developer qualified to receive cash investments eligible for a tax credit pursuant to this section in a manner and form prescribed by the commissioner. To the extent feasible, any eligible workforce housing opportunity development project shall incorporate renewable energy or other technology in order to lower utility costs for the tenants and be transit-oriented. Any eligible workforce housing opportunity development project once constructed or substantially rehabilitated shall be rented as follows: (1) Forty per cent of the units shall be rented at the market rate, (2) fifty per cent of the units shall be rented to the workforce population designated under subsection (e) of this section, where such unit is rented to a member of such workforce population whose income is not more than sixty per cent of the area median income, and (3) ten per cent of the units shall be rented to families or individuals of very low income receiving rental assistance under chapter 128 or 319uu of the general statutes or 42 USC 1437f, as amended from time to time. The program shall provide for a method of selecting persons satisfying such income criteria to rent such units of housing from among a pool of applicants, which method shall not discriminate on the basis of race, creed, color, national origin, ancestry, sex, gender identity or expression, age or physical or intellectual disability.

(d) A workforce housing opportunity development project shall be scheduled for completion not more than three years after the date of approval by the Department of Housing. Each developer of a workforce housing opportunity development project shall submit to the commissioner quarterly progress reports and a final report upon completion, in a manner and form prescribed by the commissioner. If a workforce housing opportunity development project fails to be completed on or before three years from the date of approval of such project, or at any time the commissioner determines that a project is unlikely to be completed, the commissioner may request the Attorney General to reclaim any remaining funds contributed to the project by

Substitute Senate Bill No. 998

individuals or entities under subsection (b) of this section and, upon receipt of any such remaining funds, the commissioner shall reallocate such funds to another eligible project.

(e) The developer shall obtain the approval of the zoning commission, as defined in section 8-13m of the general statutes, of the municipality and of any other applicable municipal agency for the proposed workforce housing opportunity development project. After all such approvals are granted, the municipality may, not later than thirty days after such approval, by vote of its legislative body or, in a municipality where the legislative body is a town meeting, by vote of the board of selectmen, designate the workforce population that forty per cent of the project shall be dedicated to. Such designation may include volunteer firefighters, teachers, police officers, emergency medical personnel or other professions of persons working in the municipality. If the municipality does not vote within such time period, the developer shall designate the workforce population.

(f) For taxable income years commencing on or after January 1, 2025, the Commissioner of Revenue Services shall grant a credit against the tax imposed under chapter 208 or 229 of the general statutes, other than the liability imposed by section 12-707 of the general statutes, in an amount equal to the amount specified by the Commissioner of Housing in a tax credit voucher issued by the Commissioner of Housing pursuant to subsection (g) of this section.

(g) (1) The Commissioner of Housing shall administer a system of tax credit vouchers within the resources, requirements and purposes of this section, for individuals and entities making cash contributions to an eligible developer for an eligible workforce housing opportunity development project. Such voucher may be used as a credit against the tax to which such individual or entity is subject under chapter 208 or 229 of the general statutes, other than the liability imposed by section 12-707 of the general statutes.

Substitute Senate Bill No. 998

(2) In no event shall the total amount of all tax credits allowed to all individuals or entities pursuant to the provisions of this section exceed five million dollars in any one fiscal year.

(3) No tax credit shall be granted to any individual or entity for any individual amount contributed of less than two hundred fifty dollars.

(4) Any tax credit not used in the taxable income year during which the cash contribution was made may be carried forward or backward for the five immediately succeeding or preceding taxable or income years until the full credit has been allowed.

(5) If an entity claiming a credit under this section is an S corporation or an entity treated as a partnership for federal income tax purposes, the credit may be claimed by the entity's shareholders or partners. If the entity is a single member limited liability company that is disregarded as an entity separate from its owner, the credit may be claimed by such limited liability company's owner, provided such owner is subject to the tax imposed under chapter 208 or 229 of the general statutes.

(h) The Commissioner of Housing shall adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to implement the provisions of this section, including, but not limited to, the conditions for certification of a developer applying for assistance under this section.

Sec. 29. Section 12-63b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective June 1, 2024, and applicable to assessment years commencing on or after June 1, 2024*):

(a) The assessor or board of assessors in any town, at any time, when determining the present true and actual value of real property as provided in section 12-63, which property is used primarily for the purpose of producing rental income, exclusive of such property used solely for residential purposes, containing not more than six dwelling

Substitute Senate Bill No. 998

units and in which the owner resides, shall determine such value on the basis of an appraisal which shall include to the extent applicable with respect to such property, consideration of each of the following methods of appraisal: (1) Replacement cost less depreciation, plus the market value of the land, (2) capitalization of net income based on market rent for similar property, and (3) a sales comparison approach based on current bona fide sales of comparable property. The provisions of this section shall not be applicable with respect to any housing assisted by the federal or state government except any such housing for which the federal assistance directly related to rent for each unit in such housing is no less than the difference between the fair market rent for each such unit in the applicable area and the amount of rent payable by the tenant in each such unit, as determined under the federal program providing for such assistance.

(b) In the case of an eligible workforce housing opportunity development project, as defined in section 28 of this act, the assessor shall use the capitalization of net income method based on the actual rent received for the property.

[[b]] (c) For purposes of subdivision (2) of subsection (a) of this section and, generally, in its use as a factor in any appraisal with respect to real property used primarily for the purpose of producing rental income, the term "market rent" means the rental income that such property would most probably command on the open market as indicated by present rentals being paid for comparable space. In determining market rent the assessor shall consider the actual rental income applicable with respect to such real property under the terms of an existing contract of lease at the time of such determination.

Sec. 30. Section 8-395 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective June 1, 2024*):

(a) As used in this section, (1) "business firm" means any business

Substitute Senate Bill No. 998

entity authorized to do business in the state and subject to the corporation business tax imposed under chapter 208, or any company subject to a tax imposed under chapter 207, or any air carrier subject to the air carriers tax imposed under chapter 209, or any railroad company subject to the railroad companies tax imposed under chapter 210, or any regulated telecommunications service, express, cable or community antenna television company subject to the regulated telecommunications service, express, cable and community antenna television companies tax imposed under chapter 211, or any utility company subject to the utility companies tax imposed under chapter 212, [and] (2) "nonprofit corporation" means a nonprofit corporation incorporated pursuant to chapter 602 or any predecessor statutes thereto, having as one of its purposes the construction, rehabilitation, ownership or operation of housing and having articles of incorporation approved by the executive director of the Connecticut Housing Finance Authority in accordance with regulations adopted pursuant to section 8-79a or 8-84, (3) "workforce housing development project" or "project" means the construction or substantial rehabilitation of dwelling units for rental housing where (A) ten per cent of the units are affordable housing, (B) forty per cent of the units are rented to the workforce population designated by the developer, in consultation with the municipality where such project is located, and (C) fifty per cent of the units are rented at a market rate and includes, but is not limited to, an eligible workforce housing opportunity development project, as defined in section 28 of this act, (4) "affordable housing" means rental housing for which persons and families pay thirty per cent or less of their annual income, where such income is less than or equal to the area median income for the municipality in which such housing is located, as determined by the United States Department of Housing and Urban Development, (5) "substantial rehabilitation" means either (A) the costs of any repair, replacement or improvement to a building that exceeds twenty-five per cent of the value of such building after the completion of all such repairs, replacements or improvements, or (B) the

Substitute Senate Bill No. 998

replacement of two or more of the following: (i) Roof structures, (ii) ceilings, (iii) wall or floor structures, (iv) foundations, (v) plumbing systems, (vi) heating and air conditioning systems, or (vii) electrical systems, and (6) "market rate" means the rental income that such unit would most probably command on the open market as indicated by present rentals being paid for comparable space in the area where the unit is located.

(b) The Commissioner of Revenue Services shall grant a credit against [any] the tax [due] imposed under [the provisions of] chapter 207, 208, 209, 210, 211 or 212 in an amount equal to the amount specified by the Connecticut Housing Finance Authority in any tax credit voucher issued by said authority pursuant to subsection (c) of this section.

(c) The Connecticut Housing Finance Authority shall administer a system of tax credit vouchers within the resources, requirements and purposes of this section, for business firms making cash contributions to housing programs developed, sponsored or managed by a nonprofit corporation, as defined in subsection (a) of this section, which benefit low and moderate income persons or families which have been approved prior to the date of any such cash contribution by the authority, including, but not limited to, contributions for a workforce housing development project. Such vouchers may be used as a credit against any of the taxes to which such business firm is subject and which are enumerated in subsection (b) of this section. For taxable or income years commencing on or after January 1, 1998, to be eligible for approval a housing program shall be scheduled for completion not more than three years from the date of approval. For taxable or income years commencing on or after January 1, 2024, to be eligible for approval, a workforce housing development project shall be scheduled for completion not more than three years from the date of approval. Each program or developer of a workforce housing development project shall submit to the authority quarterly progress reports and a final report

Substitute Senate Bill No. 998

upon completion, in a manner and form prescribed by the authority. If a program or workforce housing development project fails to be completed [after] on or before three years from the date of approval of the project, or at any time the authority determines that a program or project is unlikely to be completed, the authority may reclaim any remaining funds contributed by business firms and reallocate such funds to another eligible program or project.

(d) No business firm shall receive a credit pursuant to both this section and chapter 228a in relation to the same cash contribution.

(e) Nothing in this section shall be construed to prevent two or more business firms from participating jointly in one or more programs or projects under the provisions of this section. Such joint programs or projects shall be submitted, and acted upon, as a single program or project by the business firms involved.

(f) No tax credit shall be granted to any business firm for any individual amount contributed of less than two hundred fifty dollars.

(g) Any tax credit not used in the [period] taxable income year during which the cash contribution was made may be carried forward or backward for the five immediately succeeding or preceding taxable or income years until the full credit has been allowed.

(h) In no event shall the total amount of all tax credits allowed to all business firms pursuant to the provisions of this section exceed ten million dollars in any one fiscal year, provided, each year until the date sixty days after the date the Connecticut Housing Finance Authority publishes the list of housing programs or workforce housing development projects that will receive tax credit reservations, two million dollars of the total amount of all tax credits under this section shall be set aside for permanent supportive housing initiatives established pursuant to section 17a-485c, and one million dollars of the

Substitute Senate Bill No. 998

total amount of all tax credits under this section shall be set aside for workforce housing, as defined by the Connecticut Housing Finance Authority through written procedures adopted pursuant to subsection (k) of this section. Each year, on or after the date sixty days after the date the Connecticut Housing Finance Authority publishes the list of housing programs or projects that will receive tax credit reservations, any unused portion of such tax credits shall become available for any housing program or project eligible for tax credits pursuant to this section.

(i) No organization conducting a housing program or [programs] project eligible for funding with respect to which tax credits may be allowed under this section shall be allowed to receive an aggregate amount of such funding for any such program or [programs] project in excess of five hundred thousand dollars for any fiscal year.

(j) Nothing in this section shall be construed to prevent a business firm from making any cash contribution to a housing program or project to which tax credits may be applied which cash contribution may result in the business firm having a limited equity interest in the program or project.

(k) The Connecticut Housing Finance Authority, with the approval of the Commissioner of Revenue Services, shall adopt written procedures in accordance with section 1-121 to implement the provisions of this section. Such procedures shall include provisions for issuing tax credit vouchers for cash contributions to housing programs or projects based on a system of ranking housing programs. In establishing such ranking system, the authority shall consider the following: (1) The readiness of the project to be built; (2) use of the funds to build or rehabilitate a specific housing project or to capitalize a revolving loan fund providing low-cost loans for housing construction, repair or rehabilitation to benefit persons of very low, low and moderate income; (3) the extent the project will benefit families at or below twenty-five per cent of the area

Substitute Senate Bill No. 998

median income and families with incomes between twenty-five per cent and fifty per cent of the area median income, as defined by the United States Department of Housing and Urban Development; (4) evidence of the general administrative capability of the nonprofit corporation to build or rehabilitate housing; (5) evidence that any funds received by the nonprofit corporation for which a voucher was issued were used to accomplish the goals set forth in the application; and (6) with respect to any income year commencing on or after January 1, 1998: (A) Use of the funds to provide housing opportunities in urban areas and the impact of such funds on neighborhood revitalization; and (B) the extent to which tax credit funds are leveraged by other funds.

(l) Vouchers issued or reserved by the Department of Housing under the provisions of this section prior to July 1, 1995, shall be valid on and after July 1, 1995, to the same extent as they would be valid under the provisions of this section in effect on June 30, 1995.

(m) The credit which is sought by the business firm shall first be claimed on the tax return for such business firm's taxable income or year during which the cash contribution to which the tax credit voucher relates was paid.

Sec. 31. Section 29-263 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective June 1, 2024*):

(a) Except as provided in subsection (h) of section 29-252a and the State Building Code adopted pursuant to subsection (a) of section 29-252, after October 1, 1970, no building or structure shall be constructed or altered until an application has been filed with the building official and a permit issued. Such application shall be filed in person, by mail or electronic mail, in a manner prescribed by the building official. Such permit shall be issued or refused, in whole or in part, within thirty days after the date of an application. No permit shall be issued except upon application of the owner of the premises affected or the owner's

Substitute Senate Bill No. 998

authorized agent. No permit shall be issued to a contractor who is required to be registered pursuant to chapter 400, for work to be performed by such contractor, unless the name, business address and Department of Consumer Protection registration number of such contractor is clearly marked on the application for the permit, and the contractor has presented such contractor's certificate of registration as a home improvement contractor. Prior to the issuance of a permit and within said thirty-day period, the building official shall review the plans of buildings or structures to be constructed or altered, including, but not limited to, plans prepared by an architect licensed pursuant to chapter 390, a professional engineer licensed pursuant to chapter 391 or an interior designer registered pursuant to chapter 396a acting within the scope of such license or registration, to determine their compliance with the requirements of the State Building Code and, where applicable, the local fire marshal shall review such plans to determine their compliance with the Fire Safety Code. Such plans submitted for review shall be in substantial compliance with the provisions of the State Building Code and, where applicable, with the provisions of the Fire Safety Code.

(b) On and after July 1, 1999, the building official shall assess an education fee on each building permit application. During the fiscal year commencing July 1, 1999, the amount of such fee shall be sixteen cents per one thousand dollars of construction value as declared on the building permit application and the building official shall remit such fees quarterly to the Department of Administrative Services, for deposit in the General Fund. Upon deposit in the General Fund, the amount of such fees shall be credited to the appropriation to the Department of Administrative Services and shall be used for the code training and educational programs established pursuant to section 29-251c and the educational programs required in subsections (a) and (b) of section 29-262. On and after July 1, 2000, the assessment shall be made in accordance with regulations adopted pursuant to subsection (d) of section 29-251c. All fees collected pursuant to this subsection shall be

Substitute Senate Bill No. 998

maintained in a separate account by the local building department. During the fiscal year commencing July 1, 1999, the local building department may retain two per cent of such fees for administrative costs incurred in collecting such fees and maintaining such account. On and after July 1, 2000, the portion of such fees which may be retained by a local building department shall be determined in accordance with regulations adopted pursuant to subsection (d) of section 29-251c. No building official shall assess such education fee on a building permit application to repair or replace a concrete foundation that has deteriorated due to the presence of pyrrhotite.

(c) Any municipality may, by ordinance adopted by its legislative body, exempt Class I renewable energy source projects from payment of building permit fees imposed by the municipality.

(d) Notwithstanding any municipal charter, home rule ordinance or special act, no municipality shall collect an application fee on a building permit application to repair or replace a concrete foundation that has deteriorated due to the presence of pyrrhotite.

(e) Notwithstanding any municipal charter, home rule ordinance or special act, no municipality shall collect any fee for a building permit application for the construction or substantial rehabilitation of (1) an eligible workforce housing opportunity development project, as defined in section 28 of this act, or (2) a workforce housing development project, as defined in section 8-395, as amended by this act.

Sec. 32. (NEW) (*Effective June 1, 2024, and applicable to assessment years commencing on or after June 1, 2024*) The legislative body of any municipality or, in a municipality where the legislative body is a town meeting, the board of selectmen may, by ordinance, exempt from real property tax any workforce housing development project, as defined in section 8-395 of the general statutes, as amended by this act, to the extent of seventy per cent of its valuation for purposes of assessment in each

Substitute Senate Bill No. 998

of the seven full assessment years following the assessment year in which the construction or substantial rehabilitation, as defined in section 8-395 of the general statutes, as amended by this act, is completed.

Sec. 33. (NEW) (*Effective June 1, 2024*) (a) Beginning with the fiscal year commencing July 1, 2025, the Secretary of the Office of Policy and Management shall pay a state grant in lieu of taxes to any municipality that has opted to partially exempt from real property tax a workforce housing development project under section 32 of this act and submitted an application for such grant. A municipality shall apply for such grant annually on a form and in a manner prescribed by the secretary. On or before January first, annually, the Secretary of the Office of Policy and Management shall determine the amount due to such municipality, in accordance with this section.

(b) Any grant payable to any municipality that applies for a grant under the provisions of this section shall be equal to seventy per cent of the property taxes that, except for any exemption applicable to any such housing authority property under the provisions of chapter 128 of the general statutes, would have been paid with respect to such exempt real property on the assessment list in such municipality for the assessment date two years prior to the commencement of the state fiscal year in which such grant is payable, for a maximum of seven assessment years. The amount of the grant payable to each municipality in any year in accordance with this section shall be reduced proportionately in the event that the total of such grants in such year exceeds the amount appropriated for the purposes of this section with respect to such year.

Sec. 34. (NEW) (*Effective June 1, 2024*) The Connecticut Housing Finance Authority shall develop and administer a program of mortgage assistance for (1) developers for the construction or substantial rehabilitation of eligible workforce housing opportunity development projects, as defined in section 28 of this act, and (2) developers for the

Substitute Senate Bill No. 998

construction or substantial rehabilitation of workforce housing development projects, as defined in section 8-395 of the general statutes, as amended by this act. In making mortgage assistance available under the program, the authority shall utilize any appropriate housing subsidies.

Sec. 35. (*Effective from passage*) The Department of Housing shall, within available appropriations, conduct a study on methods to (1) increase housing options for apprentices and other newly hired employees, and (2) enable such apprentices and other newly hired employees to reside in the municipalities in which they work. Not later than January 1, 2024, the Commissioner of Housing shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to housing. Such report shall include recommendations on methods to increase such housing options and any legislation necessary to implement such recommendations.

Sec. 36. (NEW) (*Effective from passage*) (a) There is established the majority leaders' roundtable group on affordable housing. The group shall study (1) existing affordable housing policies, programs and initiatives in the state, (2) the potential conversion of state properties into affordable housing developments, (3) successful models and best practices from other states or regions to inform potential policy recommendations, (4) the potential conversion of commercial properties such as hotels, malls and office buildings into residential buildings, and (5) any other topics related to the promotion and development of affordable housing in the state.

(b) The roundtable group shall consist of the following members:

(1) The cochairs and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to housing and planning and development;

Substitute Senate Bill No. 998

(2) The majority leader of the Senate;

(3) The majority leader of the House of Representatives;

(4) Three appointed by the majority leader of the House of Representatives, one of whom has expertise in public housing, one of whom represents a regional council of governments, and one of whom represents a business advocacy organization or regional chamber of commerce;

(5) Three appointed by the majority leader of the Senate, one of whom has expertise in regional planning, one of whom has expertise in local planning and zoning, and one of whom has expertise in housing development;

(6) The Commissioner of Administrative Services, or the commissioner's designee;

(7) The Commissioner of Housing, or the commissioner's designee;

(8) The Commissioner of Economic and Community Development, or the commissioner's designee;

(9) The Commissioner of Transportation, or the commissioner's designee;

(10) The Responsible Growth Coordinator, or the coordinator's designee;

(11) The executive director of the Connecticut Housing Finance Authority, or the executive director's designee;

(12) A representative of the Connecticut Conference of Municipalities; and

(13) A representative of the Connecticut Council of Small Towns.

Substitute Senate Bill No. 998

(c) Any member of the roundtable group appointed under subdivision (1), (2), (3) or (4) of subsection (b) of this section may be a member of the General Assembly.

(d) All initial appointments to the roundtable group shall be made not later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.

(e) The majority leader of the Senate and the majority leader of the House of Representatives shall be the chairpersons for the roundtable group. The chairpersons shall schedule the first meeting of the roundtable group, which shall be held not later than sixty days after the effective date of this section.

(f) The administrative staff of the joint standing committee of the General Assembly having cognizance of matters relating to housing shall serve as administrative staff of the roundtable group.

(g) Not later than January 1, 2024, and annually on January first thereafter, the roundtable group shall submit a report on its findings and recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to housing, in accordance with the provisions of section 11-4a of the general statutes.

Sec. 37. Section 8-336q of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) The commissioner, in consultation with the Treasurer, the Secretary of the Office of Policy and Management and the Connecticut Housing Finance Authority, [and after consideration of the recommendations of the committee established by subsection (b) of this section,] shall establish regulations and criteria for rating various proposals for funds under the Housing Trust Fund program. The regulations shall be adopted pursuant to chapter 54 and posted on the department's web site.

Substitute Senate Bill No. 998

[(b) There shall be a Housing Trust Fund Program Advisory Committee. Said committee shall meet at least semiannually and shall advise the commissioner on (1) the administration, management and objectives of the Housing Trust Fund program; and (2) the development of regulations, procedures and rating criteria for the program. The committee shall be appointed by the commissioner, in consultation with the Treasurer and the secretary and shall include the chairpersons and ranking members of the joint standing committee of the General Assembly having cognizance of matters relating to planning and development, and the joint standing committee of the General Assembly having cognizance of matters relating to housing and representatives from each of the following: (A) The nonprofit housing development community; (B) the for-profit housing development community; (C) a housing authority; (D) a community development financial institution; (E) the Connecticut Housing Finance Authority; (F) a state-wide housing organization; (G) an elected or appointed official of a municipality with a population of less than fifty thousand; (H) an elected or appointed official of a municipality with a population between fifty thousand and one hundred thousand; (I) an elected or appointed official of a municipality with a population in excess of one hundred thousand; and (J) the employers of the state, which may be satisfied by the appointment of a representative from a state business and industry association or regional chambers of commerce.]

[(c)] (b) The commissioner may adopt regulations, in accordance with the provisions of chapter 54, to carry out the provisions of sections 8-336m to 8-336q, inclusive, as amended by this act.

[(d)] (c) The commissioner may request, inspect and audit reports, books and records and any other financial or project-related information with respect to eligible applicants that receive financial assistance, including, without limitation, resident or employment information, financial and operating statements and audits. The commissioner may

Substitute Senate Bill No. 998

investigate the accuracy and completeness of such reports, books and records.

[(e)] (d) Whenever financial assistance is provided pursuant to section 8-336p, the commissioner may take all reasonable steps and exercise all available remedies necessary or desirable to protect the obligations or interests of the state, including, but not limited to, amending any term or condition of a contract or agreement, provided such amendment is allowed or agreed to pursuant to such contract or agreement, or purchasing or redeeming, pursuant to foreclosure proceedings, bankruptcy proceedings or in other judicial proceedings, any property on which such commissioner or the department holds a mortgage or other lien, or in which the commissioner or the department has an interest.

Sec. 38. Subsection (d) of section 47a-21 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(d) (1) Not later than the time specified in subdivision (2) of this subsection, the person who is the landlord at the time a tenancy is terminated, other than a rent receiver, shall pay to the tenant or former tenant: (A) The amount of any security deposit that was deposited by the tenant with the person who was landlord at the time such security deposit was deposited less the value of any damages that any person who was a landlord of such premises at any time during the tenancy of such tenant has suffered as a result of such tenant's failure to comply with such tenant's obligations; and (B) any accrued interest. If the landlord at the time of termination of a tenancy is a rent receiver, such rent receiver shall return security deposits in accordance with the provisions of subdivision (3) of this subsection.

(2) Upon termination of a tenancy, any tenant may notify the landlord in writing of such tenant's forwarding address. Not later than [thirty]

Substitute Senate Bill No. 998

twenty-one days after termination of a tenancy or fifteen days after receiving written notification of such tenant's forwarding address, whichever is later, each landlord other than a rent receiver shall deliver to the tenant or former tenant at such forwarding address either (A) the full amount of the security deposit paid by such tenant plus accrued interest, or (B) the balance of such security deposit and accrued interest after deduction for any damages suffered by such landlord by reason of such tenant's failure to comply with such tenant's obligations, together with a written statement itemizing the nature and amount of such damages. Any landlord who violates any provision of this subsection shall be liable for twice the amount of any security deposit paid by such tenant, except that, if the only violation is the failure to deliver the accrued interest, such landlord shall be liable for ten dollars or twice the amount of the accrued interest, whichever is greater.

(3) (A) Any receiver who is authorized by a court to return security deposits and to inspect the premises of any tenant shall pay security deposits and accrued interest in accordance with the provisions of subdivisions (1) and (2) of this subsection from the operating income of such receivership to the extent that any such payments exceed the amount in any escrow accounts for such tenants. (B) Any rent receiver shall present any claim by any tenant for return of a security deposit to the court which authorized the rent receiver. Such court shall determine the validity of any such claim and shall direct such rent receiver to pay from the escrow account or from the operating income of such property the amount due such tenant as determined by such court.

Sec. 39. Subsection (i) of section 47a-21 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(i) On and after July 1, 1993, each landlord other than a landlord of a residential unit in any building owned or controlled by any educational institution and used by such institution for the purpose of housing

Substitute Senate Bill No. 998

students of such institution and their families, and each landlord or owner of a mobile manufactured home or of a mobile manufactured home space or lot or park, as such terms are defined in subdivisions (1), (2) and (3) of section 21-64, shall pay interest on each security deposit received by such landlord at a rate of not less than the average rate paid, as of December 30, 1992, on savings deposits by insured commercial banks as published in the Federal Reserve Board Bulletin rounded to the nearest one-tenth of one percentage point, except in no event shall the rate be less than one and one-half per cent. On and after January 1, 1994, the rate for each calendar year shall be not less than the deposit index, determined under this section as it was in effect during such year. On and after January 1, 2012, the rate for each calendar year shall be not less than the deposit index, as defined in section 36a-26, for that year. On the anniversary date of the tenancy and annually thereafter, such interest shall be paid to the tenant or resident or credited toward the next rental payment due from the tenant or resident, as the landlord or owner shall determine. If the tenancy is terminated before the anniversary date of such tenancy, or if the landlord or owner returns all or part of a security deposit prior to termination of the tenancy, the landlord or owner shall pay the accrued interest to the tenant or resident not later than [thirty] twenty-one days after such termination or return. Interest shall not be paid to a tenant for any month in which the tenant has been delinquent for more than ten days in the payment of any monthly rent, unless the landlord imposes a late charge for such delinquency. No landlord shall increase the rent due from a tenant because of the requirement that the landlord pay on interest the security deposit.

Sec. 40. Section 8-45 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) Each housing authority shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with

Substitute Senate Bill No. 998

providing decent, safe and sanitary dwelling accommodations, and no housing authority shall construct or operate any such project for profit or as a source of revenue to the municipality. [To this end an] An authority shall fix the rentals for dwelling in its projects at no higher rates than it finds to be necessary in order to produce revenues which, together with all other available money, revenues, income and receipts of the authority from whatever sources derived, will be sufficient [(a)] (1) to pay, as the same become due, the principal and interest on the bonds of the authority; [(b)] (2) to meet the cost of, and to provide for, maintaining and operating the projects, including the cost of any insurance, and the administrative expenses of the authority; and [(c)] (3) to create, during not less than six years immediately succeeding its issuance of any bonds, a reserve sufficient to meet the largest principal and interest payments which will be due on such bonds in any one year thereafter and to maintain such reserve.

(b) In the operation or management of housing projects an authority shall, at all times, rent or lease the dwelling accommodations therein at rentals within the financial reach of families of low income. The authority, subject to approval by the Commissioner of Housing, shall fix maximum income limits for the admission and for the continued occupancy of families in such housing, provided such maximum income limits and all revisions thereof for housing projects operated pursuant to any contract with any agency of the federal government shall be subject to the prior approval of such federal agency. The [Commissioner of Housing] commissioner shall define the income of a family to provide the basis for determining eligibility for the admission and for the continued occupancy of families under the maximum income limits fixed and approved. The definition of family income [,] by the [Commissioner of Housing,] commissioner may provide for the exclusion of all or part of the income of family members which, in the judgment of [said] the commissioner, is not generally available to meet the cost of basic living needs of the family.

Substitute Senate Bill No. 998

(c) Any housing authority administering a tenant-based rental assistance program, such as the federal Housing Choice Voucher program, shall, not later than thirty days after setting or updating the payment standard, as defined in 24 CFR 982.4, or any similar maximum monthly assistance payment for a dwelling accommodation, post such payment standard in a prominent and publicly accessible location on its Internet web site or the Internet web site of the municipality in which such authority is located. Such posting shall include (1) a disclaimer alerting program participants that the maximum allowable payment standard may not be applied in full to the actual rental rate paid by the applicant in certain circumstances, and (2) any rules or regulations adopted by such authority regarding such rental assistance programs.

(d) Not later than January 1, 2024, the Commissioner of Housing, in consultation with the housing authorities of the state, shall develop a common rental application that may be used by any such housing authority.

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

(f) Each housing authority shall provide a receipt to each applicant for admission to its housing projects stating the time and date of application and shall maintain a list of such applications, which shall be a public record, as defined in section 1-200. The [Commissioner of Housing] commissioner shall, by regulation, provide for the manner in which such list shall be created, maintained and revised.

(g) No provision of this chapter shall be construed as limiting the right of the authority to vest in an obligee the right, in the event of a default by such authority, to take possession of a housing project or cause the appointment of a receiver thereof or acquire title thereto

Substitute Senate Bill No. 998

through foreclosure proceedings, free from all the restrictions imposed by this chapter with respect to rental rates and tenant selection.

Sec. 41. Section 8-48 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

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

Sec. 42. Section 10-285a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a)(1) The percentage of school building project grant money a local board of education may be eligible to receive, under the provisions of section 10-286, shall be assigned by the Commissioner of Administrative Services in accordance with the percentage calculated by the Commissioner of Education as follows: (A) For grants approved pursuant to section 10-283 for which application is made on and after July 1, 1991, and before July 1, 2011, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to such town's adjusted equalized net grand list per capita, as defined in section

Substitute Senate Bill No. 998

10-261; and (ii) based upon such ranking, a percentage of not less than twenty nor more than eighty shall be determined for each town on a continuous scale; (B) for grants approved pursuant to section 10-283 for which application is made on and after July 1, 2011, and before July 1, 2017, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to such town's adjusted equalized net grand list per capita, as defined in section 10-261, and (ii) based upon such ranking, (I) a percentage of not less than ten nor more than seventy shall be determined for new construction or replacement of a school building for each town on a continuous scale, and (II) a percentage of not less than twenty nor more than eighty shall be determined for renovations, extensions, code violations, roof replacements and major alterations of an existing school building and the new construction or replacement of a school building when a town or regional school district can demonstrate that a new construction or replacement is less expensive than a renovation, extension or major alteration of an existing school building for each town on a continuous scale; (C) for grants approved pursuant to section 10-283 for which application is made on and after July 1, 2017, and before June 1, 2022, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to the adjusted equalized net grand list per capita, as defined in section 10-261, of the town two, three and four years prior to the fiscal year in which application is made, (ii) based upon such ranking, (I) a percentage of not less than ten nor more than seventy shall be determined for new construction or replacement of a school building for each town on a continuous scale, and (II) a percentage of not less than twenty nor more than eighty shall be determined for renovations, extensions, code violations, roof replacements and major alterations of an existing school building and the new construction or replacement of a school building when a town or regional school district can demonstrate that a new construction or replacement is less expensive than a renovation, extension or major alteration of an existing school building for each town on a continuous scale; and (D) except as

Substitute Senate Bill No. 998

otherwise provided in subdivision (2) of this subsection, for grants approved pursuant to section 10-283 for which application is made on and after June 1, 2022, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to the adjusted equalized net grand list per capita, as defined in section 10-261, of the town two, three and four years prior to the fiscal year in which application is made, and (ii) based upon such ranking, (I) a percentage of not less than ten nor more than seventy shall be determined for new construction or replacement of a school building for each town on a continuous scale, and (II) a percentage of not less than twenty nor more than eighty shall be determined for renovations, extensions, code violations, roof replacements and major alterations of an existing school building and the new construction or replacement of a school building when a town or regional school district can demonstrate that a new construction or replacement is less expensive than a renovation, extension or major alteration of an existing school building for each town on a continuous scale.

(2) For grants approved pursuant to section 10-283 for which application is made prior to July 1, 2047, the percentage of school building project grant money a local board of education for (A) any town with a total population of eighty thousand or greater may be eligible to receive shall be the greater of the percentage calculated pursuant to subdivision (1) of this subsection or sixty per cent, and (B) the town of Cheshire shall be the greater of the percentage calculated pursuant to subdivision (1) of this subsection or fifty per cent.

(b) (1) Except as otherwise provided in subdivision (2) of this subsection, the percentage of school building project grant money a regional board of education may be eligible to receive under the provisions of section 10-286 shall be determined by its ranking. Such ranking shall be determined by (A) multiplying the total population, as defined in section 10-261, of each town in the district by such town's

Substitute Senate Bill No. 998

ranking, as determined in subsection (a) of this section, (B) adding together the figures determined under subparagraph (A) of this subdivision, and (C) dividing the total computed under subparagraph (B) of this subdivision by the total population of all towns in the district. The ranking of each regional board of education shall be rounded to the next higher whole number and each such board shall receive the same reimbursement percentage as would a town with the same rank plus ten per cent, except that no such percentage shall exceed eighty-five per cent.

(2) Any board of education of a regional school district established or expanded on or after July 1, 2016, that submits an application for a school building project (A) not later than ten years after the establishment or expansion of such regional school district, and (B) that is related to such establishment or expansion, may be eligible to receive a percentage of school building project grant money, under the provisions of section 10-286, as follows: The reimbursement percentage of the town in such regional school district with the greatest reimbursement percentage, as determined in subsection (a) of this section, plus ten per cent.

(c) The percentage of school building project grant money a regional educational service center may be eligible to receive shall be determined by its ranking. Such ranking shall be determined by (1) multiplying the population of each member town in the regional educational service center by such town's ranking, as determined in subsection (a) of this section; (2) adding together the figures for each town determined under subdivision (1) of this subsection, and (3) dividing the total computed under subdivision (2) of this subsection by the total population of all member towns in the regional educational service center. The ranking of each regional educational service center shall be rounded to the next higher whole number and each such center shall receive the same reimbursement percentage as would a town with the same rank.

Substitute Senate Bill No. 998

(d) The percentage of school building project grant money a cooperative arrangement pursuant to section 10-158a, may be eligible to receive shall be determined by its ranking. Such ranking shall be determined by (1) multiplying the total population, as defined in section 10-261, of each town in the cooperative arrangement by such town's ranking, as determined in subsection (a) of this section, (2) adding the products determined under subdivision (1) of this subsection, and (3) dividing the total computed under subdivision (2) of this subsection by the total population of all towns in the cooperative arrangement. The ranking of each cooperative arrangement shall be rounded to the next higher whole number and each such cooperative arrangement shall receive the same reimbursement percentage as would a town with the same rank plus ten percentage points.

(e) If an elementary school building project for a new building or for the expansion of an existing building includes space for a school readiness program, the percentage determined pursuant to this section shall be increased by five percentage points, but shall not exceed one hundred per cent, for the portion of the building used primarily for such purpose. Recipient districts shall maintain full-day preschool enrollment for at least ten years.

(f) The percentage determined pursuant to this section for a school building project grant for the expansion, alteration or renovation of an existing public school building to convert such building for use as a lighthouse school, as defined in section 10-266cc, shall be increased by ten percentage points.

(g) The percentage determined pursuant to this section for a school building project grant shall be increased by the percentage of the total projected enrollment of the school attributable to the number of spaces made available for out-of-district students participating in the program established pursuant to section 10-266aa, provided the maximum increase shall not exceed ten percentage points.

Substitute Senate Bill No. 998

(h) Subject to the provisions of section 10-285d, if an elementary school building project for a school in a priority school district or for a priority school is necessary in order to offer a full-day kindergarten program or a full-day preschool program or to reduce class size pursuant to section 10-265f, the percentage determined pursuant to this section shall be increased by ten percentage points for the portion of the building used primarily for such full-day kindergarten program, full-day preschool program or such reduced size classes. Recipient districts that receive an increase pursuant to this subsection in support of a full-day preschool program, shall maintain full-day preschool enrollment for at least ten years.

(i) For all projects authorized on or after July 1, 2007, all attorneys' fees and court costs related to litigation shall be eligible for state school construction grant assistance only if the grant applicant is the prevailing party in any such litigation.

(j) The percentage determined pursuant to this section for a school building project grant for a diversity school, approved pursuant to section 10-286h, shall be increased by ten percentage points.

(k) The percentage of school building project grant money a local or regional board of education for a municipality deemed to be an inclusive municipality by the Commissioner of Housing may be eligible to receive shall be increased by five percentage points. As used in this subsection, "inclusive municipality" means any municipality that: (1) Has a total population, as defined in section 10-261, that is greater than six thousand; (2) has less than ten per cent of its housing units determined by the commissioner to be affordable; (3) has adopted and maintains zoning regulations that (A) promote fair housing, as determined by the commissioner, (B) provide a streamlined process for the approval of the development of multifamily housing of three units or more, (C) permit mixed-use development, and (D) allow accessory dwelling units; and (4) has constructed new affordable housing units that (A) are restricted,

Substitute Senate Bill No. 998

through deeds, covenants or other means, to individuals or families whose income is eighty per cent or less of the state median income, and (B) equal at least one per cent of such town's total housing units in the three years immediately preceding the submission of an application under this section.

Sec. 43. (NEW) (*Effective October 1, 2023*) (a) The Commissioner of Housing shall, within available appropriations, establish a pilot program to provide temporary housing for (1) persons experiencing homelessness, or (2) veterans who need respite care. Such program shall be implemented in not fewer than three municipalities, each with a population of not less than seventy-five thousand, and shall provide not fewer than twenty housing units for eligible persons who need respite care because they are recovering from injury or illness. The commissioner shall establish eligibility criteria for persons eligible to participate in the pilot program. The commissioner may contract with one or more nonprofit organizations to administer the program. Not later than January 1, 2025, the commissioner shall submit a report on the pilot program, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to housing. The pilot program shall terminate on January 1, 2025.

Approved June 29, 2023