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House of Representatives

General Assembly

File No. 208

January Session, 2023

Substitute House Bill No. 6781

House of Representatives, March 23, 2023

The Committee on Housing reported through REP. LUXENBERG of the 12th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT ADDRESSING HOUSING AFFORDABILITY FOR RESIDENTS IN THE STATE.

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

Section 1. Subparagraph (A) of subdivision (7) of subsection (c) of section 7-148 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):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 not to exceed two thousand dollars per violation, provided any owner assessed a civil penalty pursuant to this subparagraph shall have a right of appeal to the zoning board of appeals of the municipality, or to the chief executive officer of the municipality if such municipality has not established a zoning board of appeals, upon the grounds that such violation was caused solely by a tenant's 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. 2. (NEW) (*Effective October 1, 2023*) (a) As used in this section, "walk-through" means a joint physical inspection of the dwelling unit 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.

Sec. 3. 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 2 and 4 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.

(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.

Sec. 4. (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 or a fee for a tenant screening report as provided in subsection (c) of this section.

(c) A landlord may charge a fee for a tenant screening report concerning a prospective tenant if the fee for such tenant screening report is not more than the actual cost paid by the landlord for such report. The landlord shall waive any fee for such report if the

prospective tenant provides the landlord with a copy of a tenant screening report concerning the prospective tenant that was conducted within thirty days of the prospective tenant's rental application and that is satisfactory to the landlord.

(d) A landlord may not collect a tenant screening report fee from a prospective tenant until the landlord provides the prospective tenant with (1) a copy of the tenant screening report, and (2) a copy of the receipt or invoice from the entity conducting the tenant screening report concerning the prospective tenant.

Sec. 5. Section 47a-23c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(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, as amended by this act, 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 "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 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 that shall 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 languages other than English, as determined by the commissioner. Not later than December 1, 2023, such notice shall be posted on the Department of Housing's Internet web site.

Sec. 6. 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 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 the United States Department of Housing and Urban Development. 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 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. 7. 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 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 regulations, in accordance with the provisions of chapter 54, to establish uniform minimum standards for the requirements in this section.

Sec. 8. 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 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. 9. 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] a natural person who is not a minor and who, directly or indirectly and through any contract, arrangement, understanding or relationship, exercises substantial control of, or owns greater than twenty-five per cent of, a corporation, partnership, trust or other legally recognized entity owning rental real property in the state, 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 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.

Sec. 10. Section 46a-64b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

As used in sections 46a-51 to 46a-99, inclusive, as amended by this act, and section 11 of this act:

(1) "Discriminatory housing practice" means any discriminatory practice specified in section 46a-64c or **[**section**]** 46a-81e or section 11 of this act.

(2) "Dwelling" means any building, structure, mobile manufactured home park or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more families, and any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure, mobile manufactured home park or portion thereof.

(3) "Eviction" means any judgment resulting in the dispossession of a tenant from a dwelling unit entered in a summary process action instituted under chapter 832.

[(3)**]** (4) "Fair Housing Act" means Title VIII of the Civil Rights Act of 1968, as amended, and known as the federal Fair Housing Act (42 USC

3600-3620).

[(4)**]** (5) "Family" includes a single individual.

[(5)**]** (6) "Familial status" means one or more individuals who have not attained the age of eighteen years being domiciled with a parent or another person having legal custody of such individual or individuals; or the designee of such parent or other person having such custody with the written permission of such parent or other person; or any person who is pregnant or is in the process of securing legal custody of any individual who has not attained the age of eighteen years.

[(6)**]** (7) "Housing for older persons" means housing: (A) Provided under any state or federal program that the Secretary of the United States Department of Housing and Urban Development determines is specifically designed and operated to assist elderly persons as defined in the state or federal program; or (B) intended for, and solely occupied by, persons sixty-two years of age or older; or (C) intended and operated for occupancy by at least one person fifty-five years of age or older per unit in accordance with the standards set forth in the Fair Housing Act and regulations developed pursuant thereto by the Secretary of the United States Department of Housing and Urban Development.

(8) "Housing provider" means a landlord, an owner, an agent of such landlord or owner, a real estate agent, a property manager, a housing authority as created in section 8-40, a public housing agency or other entity that provides dwelling units to tenants or prospective tenants.

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

[(7)**]** (10) "Mobile manufactured home park" means a plot of land upon which two or more mobile manufactured homes occupied for residential purposes are located.

(11) "Owner" means one or more persons, jointly or severally, in whom is vested (A) all or part of the legal title to a dwelling unit, the building of which it is a part or the premises; or (B) all or part of the

beneficial ownership and a right to present use and enjoyment of the premises, including a mortgagee in possession.

[(8)**]** (12) "Physical or mental disability" includes, but is not limited to, intellectual disability, as defined in section 1-1g, and physical disability, as defined in subdivision (15) of section 46a-51, and also includes, but is not limited to, persons who have a handicap as that term is defined in the Fair Housing Act.

[(9)**]** (13) "Residential-real-estate-related transaction" means (A) the making or purchasing of loans or providing other financial assistance for purchasing, constructing, improving, repairing or maintaining a dwelling, or secured by residential real estate; or (B) the selling, brokering or appraising of residential real property.

[(10)**]** (14) "To rent" includes to lease, to sublease, to let and to otherwise grant for a consideration the right to occupy premises not owned by the occupant.

Sec. 11. (NEW) (*Effective October 1, 2023*) (a) It shall be a discriminatory practice in violation of this section for a housing provider to refuse to rent after making a bona fide offer, or to refuse to negotiate for the rental of, or otherwise make unavailable or deny a dwelling unit or deny occupancy in a dwelling unit, to any person based on such person's (1) prior eviction, except for an eviction during the five years immediately preceding the rental application, or (2) status as a party to any summary process action that did not result in an eviction.

(b) Nothing in this section shall be construed to limit the applicability of any reasonable statute or municipal ordinance restricting the maximum number of persons permitted to occupy a dwelling.

(c) Any person aggrieved by a violation of this section may file a complaint with the Commission on Human Rights and Opportunities not later than three hundred days after the alleged act of discrimination, pursuant to section 46a-82 of the general statutes, as amended by this act.

(d) Notwithstanding any other provision of chapter 814c of the general statutes, complaints alleging a violation of this section shall be investigated not later than one hundred days after filing and a final administrative disposition shall be made not later than one year after filing unless it is impracticable to do so. If the Commission on Human Rights and Opportunities is unable to 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.

Sec. 12. Section 8-45a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

A housing authority, as defined in subsection (b) of section 8-39, in determining eligibility for the rental of public housing units may establish criteria and consider relevant information concerning (1) an applicant's or any proposed occupant's history of criminal activity involving: (A) Crimes of physical violence to persons or property, (B) crimes involving the illegal manufacture, sale, distribution or use of, or possession with intent to manufacture, sell, use or distribute, a controlled substance, as defined in section 21a-240, or (C) other criminal acts which would adversely affect the health, safety or welfare of other tenants, (2) an applicant's or any proposed occupant's abuse, or pattern of abuse, of alcohol when the housing authority has reasonable cause to believe that such applicant's or proposed occupant's abuse, or pattern of abuse, of alcohol may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents, and (3) an applicant or any proposed occupant who is subject to a lifetime registration requirement under section 54-252 on account of being convicted or found not guilty by reason of mental disease or defect of a sexually violent offense. In evaluating any such information, the housing authority shall give consideration to the time, nature and extent of the applicant's or proposed occupant's conduct and to factors which might indicate a reasonable probability of favorable future conduct such as evidence of rehabilitation and evidence of the willingness of the applicant, the applicant's family or the proposed occupant to participate

in social service or other appropriate counseling programs and the availability of such programs. Except as otherwise provided by law, a housing authority shall limit its consideration of an applicant's or proposed occupant's eviction history to the applicable time period established under subsection (a) of section 11 of this act.

Sec. 13. Subdivision (8) of section 46a-51 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(8) "Discriminatory practice" means a violation of section 4a-60, 4a-60a, 4a-60g, 31-40y, subsection (b), (d), (e) or (f) of section 31-51i, subparagraph (C) of subdivision (15) of section 46a-54, subdivisions (16) and (17) of section 46a-54, section 46a-58, 46a-59, 46a-60, 46a-64, 46a-64c, 46a-66, 46a-68, 46a-68c to 46a-68f, inclusive, **[**or**]** 46a-70 to 46a-78, inclusive, subsection (a) of section 46a-80, **[**or**]** sections 46a-81b to 46a-81o, inclusive, **[**and**]** sections 46a-80b to 46a-80e, inclusive, **[**and**]** or **[**sections**]** 46a-80k to 46a-80m, inclusive, or section 11 of this act;

Sec. 14. Subdivision (14) of section 46a-54 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(14) To require the posting, by any respondent or other person subject to the requirements of section 46a-64, 46a-64c, 46a-81d or 46a-81e or section 11 of this act, of such notices of statutory provisions as it deems desirable;

Sec. 15. Section 46a-74 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

No state department, board or agency may permit any discriminatory practice in violation of section 46a-59, 46a-64, 46a-64c, sections 46a-80b to 46a-80e, inclusive, or 46a-80k to 46a-80m, inclusive, or section 11 of this act.

Sec. 16. Subsection (a) of section 46a-82 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October*

1, 2023):

(a) Any person claiming to be aggrieved by an alleged discriminatory practice, except for an alleged violation of section 4a-60g or 46a-68 or the provisions of sections 46a-68c to 46a-68f, inclusive, may, by himself or herself or by such person's attorney, file with the commission a complaint in writing under oath, except that a complaint that alleges a violation of section 46a-64c or section 11 of this act need not be notarized. The complaint shall state the name and address of the person alleged to have committed the discriminatory practice, provide a short and plain statement of the allegations upon which the claim is based and contain such other information as may be required by the commission. After the filing of a complaint, the commission shall provide the complainant with a notice that: (1) Acknowledges receipt of the complaint; and (2) advises of the time frames and choice of forums available under this chapter.

Sec. 17. Subsections (a) to (c), inclusive, of section 46a-83 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) Not later than fifteen days after the date of filing of any discriminatory practice complaint pursuant to subsection (a) or (b) of section 46a-82, as amended by this act, or an amendment to such complaint adding an additional respondent, the commission shall serve the respondent as provided in section 46a-86a with the complaint and a notice advising of the procedural rights and obligations of a respondent under this chapter. The respondent shall either (1) file a written answer to the complaint as provided in subsection (b) of this section, or (2) not later than ten days after the date of receipt of the complaint, provide written notice to the complainant and the commission that the respondent has elected to participate in pre-answer conciliation, except that a discriminatory practice complaint alleging a violation of section 46a-64c or 46a-81e shall not be subject to pre-answer conciliation. A complaint sent by first class mail shall be considered to be received not later than two days after the date of mailing, unless the respondent

proves otherwise. The commission shall conduct a pre-answer conciliation conference not later than thirty days after the date of receiving the respondent's request for pre-answer conciliation.

(b) Except as provided in this subsection, not later than thirty days after the date (1) of receipt of the complaint, or (2) on which the commission determines that the pre-answer conciliation conference was unsuccessful, the respondent shall file a written answer to the complaint, under oath, with the commission. The respondent may request, and the commission may grant, one extension of time of not more than fifteen days within which to file a written answer to the complaint. An answer to any amendment to a complaint shall be filed within twenty days of the date of receipt **[**to**]** of such amendment. The answer to any complaint alleging a violation of section 46a-64c or 46a-81e or section 11 of this act shall be filed not later than ten days after the date of receipt of the complaint.

(c) Not later than sixty days after the date of the filing of the respondent's answer, the executive director or the executive director's designee shall conduct a case assessment review to determine whether the complaint should be retained for further processing or dismissed because (1) it fails to state a claim for relief or is frivolous on its face, (2) the respondent is exempt from the provisions of this chapter, or (3) there is no reasonable possibility that investigating the complaint will result in a finding of reasonable cause. The case assessment review shall include the complaint, the respondent's answer and the responses to the commission's requests for information, and the complainant's comments, if any, to the respondent's answer and information responses. The executive director or the executive director's designee shall send notice of any action taken pursuant to the case assessment review in accordance with section 46a-86a. For any complaint dismissed pursuant to this subsection, the executive director or the executive director's designee shall issue a release of jurisdiction allowing the complainant to bring a civil action under section 46a-100. This subsection and subsection (e) of this section shall not apply to any complaint alleging a violation of section 46a-64c **[**or**]** 46a-81e or section

11 of this act. The executive director shall report the results of the case assessment reviews made pursuant to this subsection to the commission quarterly during each year.

Sec. 18. Subdivision (2) of subsection (g) of section 46a-83 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(2) If the investigator makes a finding that there is reasonable cause to believe that a violation of section 46a-64c or section 11 of this act has occurred, the complainant and the respondent shall have twenty days from sending of the reasonable cause finding to elect a civil action in lieu of an administrative hearing pursuant to section 46a-84. If either the complainant or the respondent requests a civil action, the commission, through the Attorney General or a commission legal counsel, shall commence an action pursuant to subsection (b) of section 46a-89, not later than ninety days after the date of receipt of the notice of election. If the Attorney General or a commission legal counsel believes that injunctive relief, punitive damages or a civil penalty would be appropriate, such relief, damages or penalty may also be sought. The jurisdiction of the Superior Court in an action brought under this subdivision shall be limited to such claims, counterclaims, defenses or the like that could be presented at an administrative hearing before the commission, had the complaint remained with the commission for disposition. A complainant may intervene as a matter of right in a civil action without permission of the court or the parties. If the Attorney General or commission legal counsel, as the case may be, determines that the interests of the state will not be adversely affected, the complainant or attorney for the complainant shall present all or part of the case in support of the complaint. If the Attorney General or a commission legal counsel determines that a material mistake of law or fact has been made in the finding of reasonable cause, the Attorney General or a commission legal counsel may decline to bring a civil action and shall remand the file to the investigator for further action. The investigator shall complete any such action not later than ninety days after receipt of such file.

Sec. 19. Subsection (c) of section 46a-86 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(c) In addition to any other action taken under this section, upon a finding of a discriminatory practice prohibited by section 46a-58, 46a-59, 46a-64, 46a-64c, 46a-81b, 46a-81d, **[**or**]** 46a-81e or section 11 of this act, the presiding officer shall determine the damage suffered by the complainant, which damage shall include, but not be limited to, the expense incurred by the complainant for obtaining alternate housing or space, storage of goods and effects, moving costs and other costs actually incurred by the complainant as a result of such discriminatory practice and shall allow reasonable attorney's fees and costs. The amount of attorney's fees allowed shall not be contingent upon the amount of damages requested by or awarded to the complainant.

Sec. 20. Subdivision (1) of subsection (b) of section 46a-89 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(b) (1) Whenever a complaint filed pursuant to section 46a-82, as amended by this act, alleges a violation of section 46a-64, 46a-64c, 46a-81d, **[**or**]** 46a-81e or section 11 of this act, and the commission believes that injunctive relief is required or that the imposition of punitive damages or a civil penalty would be appropriate, the commission may bring a petition in the superior court for the judicial district in which the discriminatory practice which is the subject of the complaint occurred or the judicial district in which the respondent resides.

Sec. 21. Subsection (b) of section 46a-90a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(b) When the presiding officer finds that the respondent has engaged in any discriminatory practice prohibited by section 46a-60, 46a-64, 46a-64c, 46a-81c, 46a-81d, **[**or**]** 46a-81e or section 11 of this act and grants relief on the complaint, requiring that a temporary injunction remain in

effect, the executive director may, through the procedure outlined in subsection (a) of section 46a-95, petition the court which granted the original temporary injunction to make the injunction permanent.

Sec. 22. Section 46a-98a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

Any person claiming to be aggrieved by a violation of section 46a-64c **[**or**]** 46a-81e or section 11 of this act or by a breach of a conciliation agreement entered into pursuant to this chapter, may bring an action in the Superior Court, or the housing session of said court if appropriate, within one year of the date of the alleged discriminatory practice or of a breach of a conciliation agreement entered into pursuant to this chapter. No action pursuant to this section may be brought in the Superior Court regarding the alleged discriminatory practice after the commission has obtained a conciliation agreement pursuant to section 46a-83, as amended by this act, or commenced a hearing pursuant to section 46a-84, except for an action to enforce the conciliation agreement. The court shall have the power to grant relief, by injunction or otherwise, as it deems just and suitable. The court may grant any relief which a presiding officer may grant in a proceeding under section 46a-86, as amended by this act, or which the court may grant in a proceeding under section 46a-89, as amended by this act. The commission, through commission legal counsel or the Attorney General, may intervene as a matter of right in any action brought pursuant to this section without permission of the court or the parties.

Sec. 23. (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:

(1) Preparing the state plan of conservation and development pursuant to chapters 297 and 297a of the general statutes;

(2) Reviewing state agency plans, projects and bonding requests for consistency with the state plan of conservation and development;

(3) Coordinating the administration of the Connecticut Environmental Policy Act, 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;

(5) Providing staff support to the Connecticut Water Planning Council;

(6) Coordinating the neighborhood revitalization zone program, as provided in sections 7-600 to 7-602, inclusive, of the general statutes;

(7) Assisting the Chief Data Officer of the state with oversight of state-wide geographic information system data and resources and participating in the geographic information system user-to-user network to develop geographic information system data standards and initiatives;

(8) Providing staff support to the Advisory Commission on Intergovernmental Relations;

(9) Serving as the state liaison to the state's regional councils of governments;

(10) Administering responsible growth and transit-oriented development and regional performance incentive grant programs;

(11) Compiling data necessary to and coordinating the submission by municipalities of plans to affirmatively further fair housing; and

(12) Preparing the public investment community index annually.

(c) The Secretary of the Office of Policy and Management 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 secretary shall adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to carry out the purposes of this section.

Sec. 24. Section 8-30j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) As used in this section:

(1) "Plan to affirmatively further fair housing" means a plan designed to (A) develop additional affordable housing, (B) overcome patterns of segregation, (C) promote equity in housing and related community assets, and (D) foster inclusive communities free from barriers that restrict access to opportunities based on protected characteristics;

(2) "Equity" means the consistent and systematic fair, just and nondiscriminatory treatment of all individuals, regardless of protected characteristics, including concerted actions to overcome past discrimination against underserved communities that have been denied equal opportunities or otherwise adversely affected because of their protected characteristics by public and private policies and practices that have perpetuated inequality, segregation and poverty;

(3) "Segregation" means a condition within a geographic area in which there is a significant concentration of persons of a particular race, color, religion, sex, including sexual orientation, gender identity and nonconformance with gender stereotypes, familial status or national origin or having a disability or a type of disability, in such geographic area when compared to a different or broader geographic area; and

(4) "Coordinator" means the State Responsible Growth Coordinator of the Office of Responsible Growth within the Office of Policy and Management.

[(a)**]** (b) **[**(1) Not later than June 1, 2022, and at least once every five years thereafter**]** Commencing June 1, 2024, each municipality, in

consultation with the State Responsible Growth Coordinator, shall prepare or amend and adopt [an affordable housing plan for the municipality] a plan to affirmatively further fair housing for the municipality not later than the plan date set in accordance with a schedule prescribed by the coordinator, and at least once every five years thereafter, and shall submit a copy of such plan to the [Secretary of the Office of Policy and Management] coordinator upon the amendment or adoption of such plan. The schedule prescribed by the coordinator shall require approximately twenty per cent of municipalities to submit such plan each year. Such plan shall be subject to the approval of the coordinator and shall specify how the municipality intends to [increase the number of affordable housing developments in the municipality] meet the goals established by the plan.

[(2) If, at the same time the municipality is required to submit to the Secretary of the Office of Policy and Management an affordable housing plan pursuant to subdivision (1) of this subsection, the municipality is also required to submit to the secretary a plan of conservation and development pursuant to section 8-23, such affordable housing plan may be included as part of such plan of conservation and development. The municipality may, to coincide with its submission to the secretary of a plan of conservation and development, submit to the secretary an affordable housing plan early, provided the municipality's next such submission of an affordable housing plan shall be five years thereafter.]

(c) Not later than January 1, 2024, the coordinator shall develop and make available a data set for each municipality concerning such municipality's demographic information, including trends in such information, related to segregation.

[(b)] (d) The municipality may hold public informational meetings or organize other activities to inform residents about the process of preparing the plan and shall post a copy of any draft plan or amendment to such plan on the Internet web site of the municipality. If the municipality holds a public hearing, such posting shall occur at least

thirty-five days prior to the public hearing. After adoption of the plan, the municipality shall file the final plan in the office of the town clerk of such municipality and post the plan on the Internet web site of the municipality.

[(c) Following adoption, the municipality shall regularly review and maintain such plan. The municipality may adopt such geographical, functional or other amendments to the plan or parts of the plan, in accordance with the provisions of this section, as it deems necessary. If the municipality fails to amend and submit to the Secretary of the Office of Policy and Management such plan every five years, the chief elected official of the municipality shall submit a letter to the secretary that (1) explains why such plan was not amended, and (2) designates a date by which an amended plan shall be submitted.**]**

(e) Not later than December 1, 2024, and annually thereafter, each municipality shall submit to the Office of Responsible Growth within the Office of Policy and Management a sworn statement from the chief executive officer of the municipality stating that the municipality is in compliance with the plan adopted by such municipality under subsection (b) of this section. On and after December 1, 2024, any municipality that fails to comply with the requirements of this subsection or subsection (b) of this section shall be required to spend any funds such municipality has received related to any economic and community development project pursuant to section 4-66c or 4-66g on the development of affordable housing or on infrastructure to support the development of affordable housing.

Sec. 25. (*Effective from passage*) (a) There is established a task force to create an inventory of existing sewer capacity in the state and a plan to expand such sewer capacity in accordance with the state plan of conservation and development adopted pursuant to chapter 297 of the general statutes.

(b) The task force shall consist of the following members:

(1) Two appointed by the speaker of the House of Representatives;

(2) Two appointed by the president pro tempore of the Senate;

(3) One appointed by the majority leader of the House of Representatives;

(4) One appointed by the majority leader of the Senate;

(5) One appointed by the minority leader of the House of Representatives;

(6) One appointed by the minority leader of the Senate;

(7) The Commissioner of Energy and Environmental Protection, or the commissioner's designee;

(8) The Commissioner of Public Health, or the commissioner's designee; and

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

(c) Any member of the task force appointed under subdivision (1), (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member of the General Assembly.

(d) All initial appointments to the task force 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 speaker of the House of Representatives and the president pro tempore of the Senate shall select the chairpersons of the task force from among the members of the task force. Such chairpersons shall schedule the first meeting of the task force, 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 planning and development shall serve as administrative staff of the task force.

(g) Not later than January 1, 2024, the task force shall submit a report on its findings and recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to planning and development, in accordance with the provisions of section 11-4a of the general statutes. The task force shall terminate on the date that it submits such report or January 1, 2024, whichever is later.

Sec. 26. Subsections (a) to (l), inclusive, of section 8-30g of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) As used in this section and section 8-30j, as amended by this act:

(1) **[**"Affordable housing development" means a proposed housing development which is (A) assisted housing, or (B) a set-aside development**]** "Affordable housing application" means any application made to a commission in connection with an affordable housing development by a person who proposes to develop such affordable housing;

(2) **[**"Affordable housing application" means any application made to a commission in connection with an affordable housing development by a person who proposes to develop such affordable housing**]** "Affordable housing development" means a proposed housing development that is (A) assisted housing, or (B) a set-aside development;

(3) "As of right" means able to be approved in accordance with the terms of a zoning regulation or regulations and without requiring that a public hearing be held, a variance, special permit or special exception be granted or some other discretionary zoning action be taken, other than a determination that a site plan is in conformance with applicable zoning regulations;

[(3)**]** (4) "Assisted housing" means housing **[**which**]** that is receiving, or will receive, financial assistance under any governmental program for the construction or substantial rehabilitation of low and moderate income housing, and any housing occupied by persons receiving rental

assistance under chapter 319uu or Section 1437f of Title 42 of the United States Code;

[(4)**]** (5) "Commission" means a zoning commission, planning commission, planning and zoning commission, zoning board of appeals or municipal agency exercising zoning or planning authority;

(6) "Commissioner" means the Commissioner of Housing;

(7) "Median income" means, after adjustments for family size, the lesser of the state median income or the area median income for the area in which the municipality containing the affordable housing development is located, as determined by the United States Department of Housing and Urban Development;

(8) "Middle housing" means duplexes, triplexes, quadplexes, cottage clusters and townhouses;

[(5)**]** (9) "Municipality" means any town, city or borough, whether consolidated or unconsolidated; and

[(6)**]** (10) "Set-aside development" means a development in which not less than thirty per cent of the dwelling units will be conveyed by deeds containing covenants or restrictions which shall require that, for at least forty years after the initial occupation of the proposed development, such dwelling units shall be sold or rented at, or below, prices which will preserve the units as 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 eighty per cent of the median income. In a set-aside development, of the dwelling units conveyed by deeds containing covenants or restrictions, a number of dwelling units equal to not less than fifteen per cent of all dwelling units in the development shall be sold or rented to persons and families whose income is less than or equal to sixty per cent of the median income and the remainder of the dwelling units conveyed by deeds containing covenants or restrictions shall be sold or rented to persons and families whose income is less than or equal to eighty per cent of the median income. **[**;**]**

[(7) "Median income" means, after adjustments for family size, the lesser of the state median income or the area median income for the area in which the municipality containing the affordable housing development is located, as determined by the United States Department of Housing and Urban Development; and

(8) "Commissioner" means the Commissioner of Housing.**]**

(b) (1) Any person filing an affordable housing application with a commission shall submit, as part of the application, an affordability plan which shall include at least the following: (A) Designation of the person, entity or agency that will be responsible for the duration of any affordability restrictions, for the administration of the affordability plan and its compliance with the income limits and sale price or rental restrictions of this chapter; (B) an affirmative fair housing marketing plan governing the sale or rental of all dwelling units; (C) a sample calculation of the maximum sales prices or rents of the intended affordable dwelling units; (D) a description of the projected sequence in which, within a set-aside development, the affordable dwelling units will be built and offered for occupancy and the general location of such units within the proposed development; and (E) draft zoning regulations, conditions of approvals, deeds, restrictive covenants or lease provisions that will govern the affordable dwelling units.

(2) The commissioner shall, within available appropriations, adopt regulations pursuant to chapter 54 regarding the affordability plan. Such regulations may include additional criteria for preparing an affordability plan and shall include: (A) A formula for determining rent levels and sale prices, including establishing maximum allowable down payments to be used in the calculation of maximum allowable sales prices; (B) a clarification of the costs that are to be included when calculating maximum allowed rents and sale prices; (C) a clarification as to how family size and bedroom counts are to be equated in establishing maximum rental and sale prices for the affordable units; and (D) a listing of the considerations to be included in the computation of income under this section.

(c) Any commission, by regulation, may require that an affordable housing application seeking a change of zone include the submission of a conceptual site plan describing the proposed development's total number of residential units and their arrangement on the property and the proposed development's roads and traffic circulation, sewage disposal and water supply.

(d) For any affordable dwelling unit that is rented as part of a set-aside development, if the maximum monthly housing cost, as calculated in accordance with subdivision **[**(6)**]** (10) of subsection (a) of this section, would exceed one hundred per cent of the Section 8 fair market rent as determined by the United States Department of Housing and Urban Development, in the case of units set aside for persons and families whose income is less than or equal to sixty per cent of the median income, then such maximum monthly housing cost shall not exceed one hundred per cent of said Section 8 fair market rent. If the maximum monthly housing cost, as calculated in accordance with subdivision **[**(6)**]** (10) of subsection (a) of this section, would exceed one hundred twenty per cent of the Section 8 fair market rent, as determined by the United States Department of Housing and Urban Development, in the case of units set aside for persons and families whose income is less than or equal to eighty per cent of the median income, then such maximum monthly housing cost shall not exceed one hundred twenty per cent of such Section 8 fair market rent.

(e) For any affordable dwelling unit that is rented **[**in order**]** to comply with the requirements of a set-aside development, no person shall impose on a prospective tenant who is receiving governmental rental assistance a maximum percentage-of-income-for-housing requirement that is more restrictive than the requirement, if any, imposed by such governmental assistance program.

(f) Except as provided in subsections (k) and (l) of this section, any person whose affordable housing application is denied, or is approved with restrictions **[**which**]** that have a substantial adverse impact on the viability of the affordable housing development or the degree of

affordability of the affordable dwelling units in a set-aside development, may appeal such decision pursuant to the procedures of this section. Such appeal shall be filed within the time period for filing appeals as set forth in section 8-8, 8-9, 8-28 or 8-30a, as applicable, and shall be made returnable to the superior court for the judicial district where the real property which is the subject of the application is located. Affordable housing appeals, including pretrial motions, shall be heard by a judge assigned by the Chief Court Administrator to hear such appeals. To the extent practicable, efforts shall be made to assign such cases to a small number of judges, sitting in geographically diverse parts of the state, so that a consistent body of expertise can be developed. Unless otherwise ordered by the Chief Court Administrator, such appeals, including pretrial motions, shall be heard by such assigned judges in the judicial district in which such judge is sitting. Appeals taken pursuant to this subsection shall be privileged cases to be heard by the court as soon after the return day as is practicable. Except as otherwise provided in this section, appeals involving an affordable housing application shall proceed in conformance with the provisions of section 8-8, 8-9, 8-28 or 8-30a, as applicable.

(g) Upon an appeal taken under subsection (f) of this section, the burden shall be on the commission to prove, based upon the evidence in the record compiled before such commission, that the decision from which such appeal is taken and the reasons cited for such decision are supported by sufficient evidence in the record. The commission shall also have the burden to prove, based upon the evidence in the record compiled before such commission, that (1) (A) the decision is necessary to protect substantial public interests in health, safety or other matters which the commission may legally consider; (B) such public interests clearly outweigh the need for affordable housing; and (C) such public interests cannot be protected by reasonable changes to the affordable housing development, or (2) (A) the application which was the subject of the decision from which such appeal was taken would locate affordable housing in an area which is zoned for industrial use and which does not permit residential uses; and (B) the development is not assisted housing. If the commission does not satisfy its burden of proof

under this subsection, the court shall wholly or partly revise, modify, remand or reverse the decision from which the appeal was taken in a manner consistent with the evidence in the record before it.

(h) Following a decision by a commission to reject an affordable housing application or to approve an application with restrictions **[**which**]** that have a substantial adverse impact on the viability of the affordable housing development or the degree of affordability of the affordable dwelling units, the applicant may, within the period for filing an appeal of such decision, submit to the commission a proposed modification of its proposal responding to some or all of the objections or restrictions articulated by the commission, which shall be treated as an amendment to the original proposal. The day of receipt of such a modification shall be determined in the same manner as the day of receipt is determined for an original application. The filing of such a proposed modification shall stay the period for filing an appeal from the decision of the commission on the original application. The commission shall hold a public hearing on the proposed modification if it held a public hearing on the original application and may hold a public hearing on the proposed modification if it did not hold a public hearing on the original application. The commission shall render a decision on the proposed modification not later than sixty-five days after the receipt of such proposed modification, provided, if, in connection with a modification submitted under this subsection, the applicant applies for a permit for an activity regulated pursuant to sections 22a-36 to 22a-45, inclusive, and the time for a decision by the commission on such modification under this subsection would lapse prior to the thirty-fifth day after a decision by an inland wetlands and watercourses agency, the time period for decision by the commission on the modification under this subsection shall be extended to thirty-five days after the decision of such agency. The commission shall issue notice of its decision as provided by law. Failure of the commission to render a decision within said sixty-five days or subsequent extension period permitted by this subsection shall constitute a rejection of the proposed modification. Within the time period for filing an appeal on the proposed modification as set forth in section 8-8, 8-9, 8-28 or 8-30a, as applicable, the applicant

may appeal the commission's decision on the original application and the proposed modification in the manner set forth in this section. Nothing in this subsection shall be construed to limit the right of an applicant to appeal the original decision of the commission in the manner set forth in this section without submitting a proposed modification or to limit the issues which may be raised in any appeal under this section.

(i) Nothing in this section shall be deemed to preclude any right of appeal under the provisions of section 8-8, 8-9, 8-28 or 8-30a.

(j) A commission or its designated authority shall have, with respect to compliance of an affordable housing development with the provisions of this chapter, the same powers and remedies provided to commissions by section 8-12.

(k) The affordable housing appeals procedure established under this section shall not be available if the real property which is the subject of the application is located in a municipality in which at least ten per cent of all dwelling units in the municipality are (1) assisted housing, (2) currently financed by Connecticut Housing Finance Authority mortgages, (3) subject to binding recorded deeds containing covenants or restrictions which require that such dwelling units be sold or rented at, or below, prices which will preserve the units as housing for which persons and families pay thirty per cent or less of income, where such income is less than or equal to eighty per cent of the median income, (4) mobile manufactured homes located in mobile manufactured home parks or legally approved accessory apartments, which homes or apartments are subject to binding recorded deeds containing covenants or restrictions which require that such dwelling units be sold or rented at, or below, prices which will preserve the units as housing for which, for a period of not less than ten years, persons and families pay thirty per cent or less of income, where such income is less than or equal to eighty per cent of the median income, or (5) mobile manufactured homes located in resident-owned mobile manufactured home parks. For the purposes of calculating the total number of dwelling units in a

municipality, accessory apartments built or permitted after January 1, 2022, but that are not described in subdivision (4) of this subsection, shall not be counted toward such total number. The municipalities meeting the criteria set forth in this subsection shall be listed in the report submitted under section 8-37qqq. As used in this subsection, "accessory apartment" has the same meaning as provided in section 8-1a, and "resident-owned mobile manufactured home park" means a mobile manufactured home park consisting of mobile manufactured homes located on land that is deed restricted, and, at the time of issuance of a loan for the purchase of such land, such loan required seventy-five per cent of the units to be leased to persons with incomes equal to or less than eighty per cent of the median income, and either (A) forty per cent of said seventy-five per cent to be leased to persons with incomes equal to or less than sixty per cent of the median income, or (B) twenty per cent of said seventy-five per cent to be leased to persons with incomes equal to or less than fifty per cent of the median income.

(l) (1) Except as provided in subdivision (2) of this subsection, the affordable housing appeals procedure established under this section shall not be applicable to an affordable housing application filed with a commission during a moratorium, which shall commence after (A) a certification of affordable housing project completion issued by the commissioner is published in the Connecticut Law Journal, or (B) notice of a provisional approval is published pursuant to subdivision (4) of this subsection. Any such moratorium shall be for a period of four years, except that for any municipality that has (i) twenty thousand or more dwelling units, as reported in the most recent United States decennial census, and (ii) previously qualified for a moratorium in accordance with this section, any subsequent moratorium shall be for a period of five years. Any moratorium that is in effect on October 1, 2002, is extended by one year.

(2) Such moratorium shall not apply to (A) affordable housing applications for assisted housing in which ninety-five per cent of the dwelling units are restricted to persons and families whose income is less than or equal to sixty per cent of the median income, (B) other

affordable housing applications for assisted housing containing forty or fewer dwelling units, or (C) affordable housing applications which were filed with a commission pursuant to this section prior to the date upon which the moratorium takes effect.

(3) Eligible units completed after a moratorium has begun may be counted toward establishing eligibility for a subsequent moratorium.

(4) (A) The commissioner shall issue a certificate of affordable housing project completion for the purposes of this subsection upon finding that there has been completed within the municipality one or more affordable housing developments which create housing unit-equivalent points equal to (i) the greater of two per cent of all dwelling units in the municipality, as reported in the most recent United States decennial census, or seventy-five housing unit-equivalent points, or (ii) for any municipality that has (I) adopted **[**an affordable housing plan**]** a plan to affirmatively further fair housing in accordance with section 8-30j, as amended by this act, (II) twenty thousand or more dwelling units, as reported in the most recent United States decennial census, and (III) previously qualified for a moratorium in accordance with this section, one and one-half per cent of all dwelling units in the municipality, as reported in the most recent United States decennial census.

(B) A municipality may apply for a certificate of affordable housing project completion pursuant to this subsection by applying in writing to the commissioner, and including documentation showing that the municipality has accumulated the required number of points within the applicable time period**.** Such documentation shall include the location of each dwelling unit being counted, the number of points each dwelling unit has been assigned, and the reason, pursuant to this subsection, for assigning such points to such dwelling unit**.** Upon receipt of such application, the commissioner shall promptly cause a notice of the filing of the application to be published in the Connecticut Law Journal, stating that public comment on such application shall be accepted by the commissioner for a period of thirty days after the publication of such notice. Not later than ninety days after the receipt of such application,

the commissioner shall either approve or reject such application. Such approval or rejection shall be accompanied by a written statement of the reasons for approval or rejection, pursuant to the provisions of this subsection. If the application is approved, the commissioner shall promptly cause a certificate of affordable housing project completion to be published in the Connecticut Law Journal. If the commissioner fails to either approve or reject the application within such ninety-day period, such application shall be deemed provisionally approved, and the municipality may cause notice of such provisional approval to be published in a conspicuous manner in a daily newspaper having general circulation in the municipality, in which case, such moratorium shall take effect upon such publication. The municipality shall send a copy of such notice to the commissioner**.** Such provisional approval shall remain in effect unless the commissioner subsequently acts upon and rejects the application, in which case the moratorium shall terminate upon notice to the municipality by the commissioner.

(5) For the purposes of this subsection, "elderly units" are dwelling units whose occupancy is restricted by age, "family units" are dwelling units whose occupancy is not restricted by age, and "resident-owned mobile manufactured home park" has the same meaning as provided in subsection (k) of this section.

(6) For the purposes of this subsection, housing unit-equivalent points shall be determined by the commissioner as follows: (A) No points shall be awarded for a unit unless its occupancy is restricted to persons and families whose income is equal to or less than eighty per cent of the median income, except that unrestricted units in a set-aside development shall be awarded one-fourth point each. (B) Family units restricted to persons and families whose income is equal to or less than eighty per cent of the median income shall be awarded one point if an ownership unit and one and one-half points if a rental unit. (C) Family units restricted to persons and families whose income is equal to or less than sixty per cent of the median income shall be awarded one and one-half points if an ownership unit and two points if a rental unit. (D) Family units restricted to persons and families whose income is equal to

or less than forty per cent of the median income shall be awarded two points if an ownership unit and two and one-half points if a rental unit. (E) Elderly units restricted to persons and families whose income is equal to or less than eighty per cent of the median income shall be awarded one-half point. (F) A set-aside development containing family units which are rental units shall be awarded additional points equal to twenty-two per cent of the total points awarded to such development, provided the application for such development was filed with the commission prior to July 6, 1995. (G) A mobile manufactured home in a resident-owned mobile manufactured home park shall be awarded points as follows: One and one-half points when occupied by persons and families with an income equal to or less than eighty per cent of the median income; two points when occupied by persons and families with an income equal to or less than sixty per cent of the median income; and one-fourth point for the remaining units. (H) A middle housing unit in a set-aside development developed as of right within one-quarter mile of any transit district established pursuant to chapter 103a shall be awarded one-half point.

(7) Points shall be awarded only for dwelling units which (A) were newly-constructed units in an affordable housing development, as that term was defined at the time of the affordable housing application, for which a certificate of occupancy was issued after July 1, 1990, (B) were newly subjected after July 1, 1990, to deeds containing covenants or restrictions which require that, for at least the duration required by subsection (a) of this section for set-aside developments on the date when such covenants or restrictions took effect, such dwelling units shall be sold or rented at, or below, prices which will preserve the units as affordable housing for persons or families whose income does not exceed eighty per cent of the median income, or (C) are located in a resident-owned mobile manufactured home park.

(8) Points shall be subtracted, applying the formula in subdivision (6) of this subsection, for any affordable dwelling unit which, on or after July 1, 1990, was affected by any action taken by a municipality which caused such dwelling unit to cease being counted as an affordable

dwelling unit.

(9) A newly-constructed unit shall be counted toward a moratorium when it receives a certificate of occupancy. A newly-restricted unit shall be counted toward a moratorium when its deed restriction takes effect.

(10) The affordable housing appeals procedure shall be applicable to affordable housing applications filed with a commission after a three-year moratorium expires, except (A) as otherwise provided in subsection (k) of this section, or (B) when sufficient unit-equivalent points have been created within the municipality during one moratorium to qualify for a subsequent moratorium.

(11) The commissioner shall, within available appropriations, adopt regulations in accordance with chapter 54 to carry out the purposes of this subsection. Such regulations shall specify the procedure to be followed by a municipality to obtain a moratorium, and shall include the manner in which a municipality is to document the units to be counted toward a moratorium. A municipality may apply for a moratorium in accordance with the provisions of this subsection prior to, as well as after, such regulations are adopted.

Sec. 27. Section 8-30h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

On and after January 1, 1996, the developer, owner or manager of an affordable housing development, developed pursuant to subparagraph (B) of subdivision **[**(1)**]** (2) of subsection (a) of section 8-30g, as amended by this act, that includes rental units shall provide annual certification to the commission that the development continues to be in compliance with the covenants and deed restrictions required under said section. If the development does not comply with such covenants and deed restrictions, the developer, owner or manager shall rent the next available units to persons and families whose incomes satisfy the requirements of the covenants and deed restrictions until the development is in compliance. The commission may inspect the income statements of the tenants of the restricted units upon which the

developer, owner or manager bases the certification. Such tenant statements shall be confidential and shall not be deemed public records for the purposes of the Freedom of Information Act, as defined in section 1-200.

Sec. 28. (NEW) (*Effective from passage*) (a) For purposes of this section:

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

(2) "Public housing authority" means any housing authority established pursuant to chapter 128 of the general statutes;

(3) "Affordable housing programs" means the rental assistance program, the federal Housing Choice Voucher Program or any other program administered by the state that provides rental payment subsidies for residential dwellings; and

(4) "Common application" means a standardized application form developed by the commissioner, the Connecticut Housing Finance Authority and certain public housing authorities for affordable housing in the state.

(b) Not later than July 1, 2024, the commissioner, in consultation with the Connecticut Housing Finance Authority and representatives of any public housing authority located in the state selected by the commissioner, shall develop and implement a common application for any individual or family seeking benefits under an affordable housing program in the state.

(c) On and after July 1, 2024, any entity in the state that administers any affordable housing program shall accept a common application submitted by any individual or family seeking affordable housing.

(d) The commissioner may adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to carry out the purposes of this section.

Sec. 29. (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 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 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. 30. (*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 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. 31. 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 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. 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. 32. (NEW) (*Effective July 1, 2023*) (a) As used in this section:

(1) "Landlord" has the same meaning as provided in section 47a-1 of the general statutes, as amended by this act;

(2) "Dwelling unit" has the same meaning as provided in section 47a-

1 of the general statutes, as amended by this act;

(3) "Program-eligible tenant" means any person or family who is the recipient of (A) a rental assistance program certificate issued by the state, (B) a voucher issued under the federal Housing Choice Voucher program, or (C) any other form of rental subsidy from the state; and

(4) "Eligible expenses" means (A) lost rent incurred while holding a dwelling unit for a program-eligible tenant while such tenant seeks any necessary approval from the state rental assistance program, federal Housing Choice Voucher program or any other state rental subsidy provider concerning such tenant's prospective tenancy, up to a maximum of two months' rent, (B) lost rent incurred due to a vacancy caused by an inspection required pursuant to subsection (c) of this section and the cost of any required repairs deemed necessary pursuant to such inspection up to a maximum of one month's rent, (C) the cost to repair damages caused by a program-eligible tenant exceeding normal wear and tear up to a maximum of one month's rent, and (D) lost rent associated with early termination of the lease by a program-eligible tenant up to a maximum of one month's rent.

(b) The Commissioner of Housing shall establish a landlord relief pilot program designed to provide financial assistance to any eligible landlord in the state for eligible expenses such landlord may incur in the process of renting or seeking to rent a dwelling unit to a program-eligible tenant. Such financial assistance shall be limited to five thousand dollars per tenancy, or ten thousand dollars per dwelling unit, whichever is less, and shall be prorated based on the time between the program-eligible tenant's application for the dwelling unit and the date upon which such tenant commences a tenancy in the dwelling unit.

(c) On and after December 1, 2023, the commissioner shall accept applications, in a form to be specified by the commissioner, from any landlord for financial assistance under the pilot program. The commissioner shall establish inspection criteria for any dwelling unit of a landlord applying for participation in the pilot program. Such inspection criteria shall require regular inspections of any dwelling unit

of a landlord participating in the pilot program. The commissioner may adopt additional eligibility criteria for landlords based on the amount of rent charged by a landlord and any other criteria the commissioner deems appropriate for the administration of the pilot program.

(d) On or before December 1, 2024, and annually thereafter until December 31, 2026, the commissioner 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 (1) analyzing the success of the pilot program in increasing the number of program-eligible tenants obtaining tenancy in the state, and (2) recommending whether a permanent program should be established in the state and, if so, any proposed legislation for such program.

(e) The pilot program established pursuant to this section shall terminate on December 31, 2026.

Sec. 33. (NEW) (*Effective January 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 Branch shall remove from its Internet web site any record or identifying information concerning such summary process action.

(b) In any summary process action instituted pursuant to chapter 832 or 412 of the general statutes, not later than two years after the entry of a judgment for the plaintiff, the Judicial Branch shall remove from its Internet web site any record or identifying information concerning such summary process action, except that any such record or identifying information may be removed from the Judicial Branch Internet web site at an earlier date upon order of the court.

(c) 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) or (b) 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) or (b) of this section because of an appeal, the Judicial Branch shall restore the case to, or retain the case on, the Judicial Branch 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 Branch 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) or (b) of this section, whichever is later.

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

(e) 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 Branch Internet web site pursuant to subsections (a) and (b) 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.

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

Sec. 34. Section 12-494 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 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**]** subsections (b) and (c) 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 the credit of the state General Fund, except as provided in subsection (e) of this section; 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**]** Except as provided in subsection (c) of this section, 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 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) On and after July 1, 2023, for a purchaser that is a business entity other than a sole proprietorship, limited liability company or limited liability partnership, 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, the rate of tax shall, in lieu of the rate under subdivision (1) of subsection (a) of this section or subdivision (2) of subsection (b) of this section, be imposed:

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

(2) At the rate of one and one-half per 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

(3) At the rate of two and one-half per cent on that portion of such consideration in excess of two million five hundred thousand dollars.

[(c)**]** (d) 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.

(e) On and after July 1, 2023, the Comptroller shall transfer from the General Fund to the Housing Trust Fund established under section 8-336o, as amended by this act, any revenue received by the state each fiscal year in excess of one hundred eighty million dollars from the tax imposed under subdivision (1) of subsection (a) and subsections (b) and (c) of this section. On and after July 1, 2024, the threshold amount 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. 35. 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 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 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

(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. 36. Section 8-336o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) There is established the "Housing Trust Fund" which shall be a nonlapsing fund held by the Treasurer separate and apart from all other moneys, funds and accounts. The following funds shall be deposited in the fund in addition to any moneys required by law to be deposited in the fund: (1) Proceeds of bonds authorized by section 8-336n and section 37 of this act; (2) all moneys received in return for financial assistance awarded from the Housing Trust Fund pursuant to the Housing Trust Fund program established under section 8-336p; (3) all private contributions received pursuant to section 8-336p; and (4) to the extent not otherwise prohibited by state or federal law, any local, state or federal funds received pursuant to section 8-336p. Investment earnings credited to the assets of said fund shall become part of the assets of said fund. The Treasurer shall invest the moneys held by the Housing Trust Fund subject to use for financial assistance under the Housing Trust Fund program.

(b) Any moneys held in the Housing Trust Fund may, pending the use or application of the proceeds thereof for an authorized purpose, be (1) invested and reinvested in such obligations, securities and investments as are set forth in subsection (f) of section 3-20, in participation certificates in the Short Term Investment Fund created under sections 3-27a and 3-27f and in participation certificates or securities of the Tax-Exempt Proceeds Fund created under section 3-24a,

(2) deposited or redeposited in such bank or banks at the direction of the Treasurer, or (3) invested in participation units in the combined investment funds, as defined in section 3-31b. Unless otherwise provided pursuant to subsection (c) of this section, proceeds from investments authorized by this subsection shall be credited to the Housing Trust Fund.

(c) The moneys of the Housing Trust Fund shall be used to fund the Housing Trust Fund program established under section 8-336p and for the purposes set forth in subsection (b) of section 37 of this act, and are in addition to any other resources available from state, federal or other entities that support the program goals established in [said] section 8-336p.

Sec. 37. (NEW) (*Effective July 1, 2023*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate seventy-five million dollars.

(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Housing for the purpose of providing grants-in-aid for construction and renovation costs for the conversion of hotels, malls and office buildings to multifamily dwellings in nondistressed municipalities.

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, that are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section. Temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with section 3-20 of the general statutes and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of such bonds shall be

authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization that is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Such bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on such bonds as the same become due, and accordingly and as part of the contract of the state with the holders of such bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 38. (*Effective July 1, 2023*) The sum of twenty million dollars is appropriated to the Department of Housing from the General Fund, for the fiscal years ending June 30, 2024, and June 30, 2025, for Coordinated Access Networks.

Sec. 39. (*Effective July 1, 2023*) The sum of eighty-three million dollars is appropriated to the Department of Housing from the General Fund, for the fiscal years ending June 30, 2024, and June 30, 2025, for rental assistance programs.

Sec. 40. (*Effective July 1, 2023*) The sum of two million dollars is appropriated to the Department of Housing from the General Fund, for the fiscal years ending June 30, 2024, and June 30, 2025, for the 2-1-1 program.

Sec. 41. (*Effective July 1, 2023*) The sum of five million dollars is appropriated to the Department of Housing from the General Fund, for the fiscal years ending June 30, 2024, and June 30, 2025, for diversionary and flexible housing programs.

Sec. 42. (*Effective July 1, 2023*) The sum of two hundred fifty thousand dollars is appropriated to the Office of Policy and Management from the General Fund, for the fiscal year ending June 30, 2024, for hiring a consultant to develop model codes that may be adopted by

municipalities in the state.

Sec. 43. (*Effective July 1, 2023*) The sum of five million dollars is appropriated to the Office of Policy and Management from the General Fund, for the fiscal years ending June 30, 2024, and June 30, 2025, for providing grants to any regional council of governments for the development of regional housing inspection programs.

Sec. 44. (*Effective July 1, 2023*) The sum of five million dollars is appropriated to the Department of Housing from the General Fund, for the fiscal year ending June 30, 2024, for the landlord relief pilot program, as provided in section 32 of this act.

Sec. 45. (*Effective July 1, 2023*) The sum of five million dollars is appropriated to the Department of Housing from the General Fund, for the fiscal years ending June 30, 2024, and June 30, 2025, for assisting housing subsidy recipients to find eligible housing units.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*October 1, 2023*	7-148(c)(7)(A)
Sec. 2	*October 1, 2023*	New section
Sec. 3	*October 1, 2023*	47a-1
Sec. 4	*October 1, 2023*	New section
Sec. 5	*October 1, 2023*	47a-23c
Sec. 6	*October 1, 2023*	8-41(a)
Sec. 7	*October 1, 2023*	8-68f
Sec. 8	*October 1, 2023*	8-68d
Sec. 9	*October 1, 2023*	47a-6a(a) and (b)
Sec. 10	*October 1, 2023*	46a-64b
Sec. 11	*October 1, 2023*	New section
Sec. 12	*October 1, 2023*	8-45a
Sec. 13	*October 1, 2023*	46a-51(8)
Sec. 14	*October 1, 2023*	46a-54(14)
Sec. 15	*October 1, 2023*	46a-74
Sec. 16	*October 1, 2023*	46a-82(a)
Sec. 17	*October 1, 2023*	46a-83(a) to (c)
Sec. 18	*October 1, 2023*	46a-83(g)(2)
Sec. 19	*October 1, 2023*	46a-86(c)

Sec. 20	*October 1, 2023*	46a-89(b)(1)
Sec. 21	*October 1, 2023*	46a-90a(b)
Sec. 22	*October 1, 2023*	46a-98a
Sec. 23	*October 1, 2023*	New section
Sec. 24	*October 1, 2023*	8-30j
Sec. 25	*from passage*	New section
Sec. 26	*October 1, 2023*	8-30g(a) to (l)
Sec. 27	*October 1, 2023*	8-30h
Sec. 28	*from passage*	New section
Sec. 29	*October 1, 2023*	New section
Sec. 30	*from passage*	New section
Sec. 31	*October 1, 2023*	8-345
Sec. 32	*July 1, 2023*	New section
Sec. 33	*January 1, 2024, and applicable to any summary process action disposed of before or after such date*	New section
Sec. 34	*July 1, 2023*	12-494
Sec. 35	*July 1, 2023*	12-498
Sec. 36	*July 1, 2023*	8-336o
Sec. 37	*July 1, 2023*	New section
Sec. 38	*July 1, 2023*	New section
Sec. 39	*July 1, 2023*	New section
Sec. 40	*July 1, 2023*	New section
Sec. 41	*July 1, 2023*	New section
Sec. 42	*July 1, 2023*	New section
Sec. 43	*July 1, 2023*	New section
Sec. 44	*July 1, 2023*	New section
Sec. 45	*July 1, 2023*	New section

Statement of Legislative Commissioners:

In Section 9(a)(3), a reference to "agent" was added for clarity; in Section 11(c), "with the Commission on Human Rights and Opportunities" was inserted for clarity; in Section 24(b), "established by" was inserted for clarity; in Section 26, Subsecs. (a)(1) and (2) were reordered for consistency, in Subsec. (l)(4)(A), "an affordable housing plan" was bracketed and "a plan to affirmatively further fair housing" was inserted for accuracy; in Subsecs. (l)(1) (A) and (l)(4)(B), "on the eRegulations System" was deleted and the brackets around "the Connecticut Law Journal" removed for accuracy; in Sec. 34(e) a reference to Subsec. (a) was replaced with Subsec. (a)(1) for accuracy; and in Section 36 references to "section 36" were changed to "section 37" for accuracy.

HSG *Joint Favorable Subst.*

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

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 $	FY 25 $
Department of Housing	GF - Cost	Approx. 43.8 million	Approx. 43.8 million
Department of Housing	GF - Potential Cost	See Below	See Below
Department of Revenue Services	GF - Revenue Gain	Potential	Potential
Department of Revenue Services	GF - Revenue Loss	Potential	Potential
Policy & Mgmt., Off.	GF - Cost	5,333,700	5,083,980
Judicial Dept.	GF - Cost	361,880	See Below
Human Rights & Opportunities, Com.	GF - Cost	219,388	219,388
State Comptroller - Fringe Benefits[1]	GF - Cost	345,831	At least 214,471
Treasurer, Debt Serv.	GF - Cost	See Below	See Below
Department of Housing	Housing Trust Fund - Revenue Gain	107.7 million	107 million
Department of Revenue Services	GF - Revenue Loss	107.7 million	107 million
Department of Revenue Services	GF - Cost	100,000	None

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 24 $	FY 25 $
Various Municipalities	Cost	Potential	Potential
Various Municipalities	Revenue Gain	Potential	Potential

[1]The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 42.82% of payroll in FY 24.

Explanation

The bill makes various changes related housing. Some key provisions include (1) establishing a new Office of Responsible Growth within the Office of Policy and Management (OPM), (2) making changes related to the real estate conveyance tax, (3) authorizing $75 million in general obligation bonds for the Department of Housing (DOH), and (4) making appropriations to DOH and OPM totaling $125.25 million in FY 24 and $125 million in FY 25 for housing-related purposes.

The bill's provisions resulting in a fiscal impact to the state or municipalities are described by section below.

Section 1 prescribes civil penalties of up to $2,000 per violation of municipal ordinances relating to safe and sanitary housing. This results in a potential revenue gain to municipalities beginning in FY 24, to the extent that these penalties occur.

Section 5 requires the Department of Housing (DOH) to create a notice of certain tenants' rights and to provide it in languages other than English, as determined by DOH, on the agency's website. To the extent that additional language versions are provided, there is a cost to DOH of approximately $500 per language for translation services.

Section 7 results in a potential cost of $50,000 for DOH to modify regulations concerning information provided to new tenants by housing authorities, as the agency may require consultant assistance to do so.

Sections 10-22 make it a discriminatory practice to refuse to rent to a person for certain reasons and allow the person to file a complaint with the Commission on Human Rights and Opportunities (CHRO). This results in costs to CHRO of $219,388, plus fringe benefits of $93,942, in each of FY 24 and FY 25, for four new Human Rights Opportunity (HRO) Trainees (at a starting salary of $54,847 each) to handle the additional complaints anticipated to be filed with CHRO under the bill.

Prior to the COVID-19 pandemic eviction moratorium, there were approximately 20,000 evictions a year. Assuming 1% of those evictions

result in an individual filing a complaint with CHRO, the agency would need to handle an additional 200 complaints filed annually. An HRO Trainee can typically handle approximately 50 complaints per year, resulting in the costs for four additional HRO Trainees mentioned above.

Section 23 establishes an Office of Responsible Growth within the Intergovernmental Policy Division of the Office of Policy and Management (OPM) and assigns various responsibilities to the office. This results in a total cost of approximately $369,000 in FY 24 and $120,000 in FY 25. This estimate includes costs of: (1) $81,610 in FY 24 and $83,650 in FY 25 to OPM for the salary of a new Planning Analyst, (2) associated fringe benefits of $34,950 in FY 24 and $35,820 in FY 25 within the Office of the State Comptroller, (3) training and supplies to OPM of $2,090 in FY 24 and $330 in FY 25, and (4) a one-time cost of $250,000 in FY 24 for a consultant to develop model codes. Section 42 appropriates $250,000 in FY 24 to fund the consultant.

Section 24 replaces the current municipal affordable housing planning requirement with requirements to: 1) adopt a plan to affirmatively further fair housing (AFFH), and 2) submit the AFFH plan to OPM. This results in a potential cost to municipalities beginning in FY 24 to develop the AFFH plan.

Section 24 also requires that municipalities that are not compliant with this section repurpose any economic development funds allocated to them through the Small Town Economic Assistance Program (STEAP) or Urban Action program towards affordable housing programs. It is unclear how this provision would be implemented with regards to prior awards that have already been spent, those that have been contractually bound through agreements between the municipalities and the state, or the requirements of the State Bond Commission when allocating such funds. To the extent this provision is allowable, the requirement would be cost neutral to the state and municipalities until or unless additional funds are allocated for the original projects that were awarded funds that were otherwise diverted

for affordable housing purposes.

Section 28 results in a potential cost to DOH associated with developing a common application for households seeking benefits under affordable housing programs, to the extent such an application could be applicable to federal programs regulated by the United States Department of Housing and Urban Development. Costs to develop the common application may include consultant fees and/or technological infrastructure for such common application to be accessed electronically. DOH already uses a common application for RAP and federal Housing Choice Voucher (HCV) subsidies under the state's control. To the extent an electronic platform is used, there may be costs in FY 25 and annually thereafter to maintain it.

Section 31 requires DOH to affirmatively seek to expend all funds appropriated for the Rental Assistance Program (RAP) on an annual basis. To the extent that this section encourages DOH to release more RAP vouchers than would otherwise be provided, annual expenditures for RAP could increase.[2] Because RAP only expends funds when voucher recipients are renting a unit, funds designated for new voucher recipients are often unspent for several months while recipients find eligible units. For reference, the average monthly state cost for a RAP voucher was $919, and the program supported about 6,430 units in early FY 23.

The bill also appropriates $83 million for the program in FY 24 and FY 25, a $9,815,572 increase over FY 23 designated funding in DOH. Because the new funding can presumably be used to support new RAP vouchers for the general, very low-income population (as opposed to vouchers for other state agency's clients, which have frequently lapsed funding), the bill will increase state costs for RAP in FY 24 and FY 25, and annually thereafter, by up to the amount of new funding.[3]

Due to inherent variability in the cost of individual RAP certificates

[2] State expenditures on RAP vouchers and associated administration were under the budgeted amount by $5,285,033 in FY 22 and $6,512,900 in FY 23.
[3] There is a long waitlist (more than 3,000 households) for general RAP vouchers.

over time, if DOH issues more vouchers than there is guaranteed annual funding to support (by counting on reduced utilization for several months while recipients search for units), program costs would likely exceed the budgeted appropriation in some years.[4]

Sections 32 & 44 require DOH to establish a landlord relief pilot program to provide financial assistance to qualifying landlords for eligible expenses incurred by renting to, or seeking to rent to, recipients of state rental assistance or the federal Housing Choice Voucher program. The bill caps the assistance at the lesser of $5,000 per tenancy or $10,000 per dwelling unit and provides $5 million in each year to fund the pilot program. The pilot runs from December 1, 2023, to December 31, 2026.

These sections result in a cost to DOH of up to $5 million in both FY 24 and FY 25 for (1) financial assistance to eligible landlords, (2) approximately three durational staff to administer the program (with annualized salaries totaling $193,000 in FY 24), (3) costs for third-party inspection companies to complete the additional unit inspections required by the bill at a cost of approximately $250 each, and (4) any consultant costs needed to complete the annual reporting requirements.

It is anticipated DOH will need to hire three durational staff to administer the program, which will also result in fringe benefit costs to the state comptroller of approximately $61,982 in FY 24 and $84,709 in FY 25 associated with a data entry operator, a housing specialist, and an accountant. FY 24 reflects the assumption that the staff would begin on October 1, 2023, to prepare to receive applications on December 1, 2023.

Section 33 establishes a process for the erasure of certain housing related manners and decisions from the Judicial Department's website. Given the short turnaround (erasure must be complete by January 1, 2024), this results in a cost for up to eight temporary positions at an

[4] Once a voucher is issued, that household receives the rental subsidy indefinitely until they no long qualify or otherwise leave the program; however, costs to the state for their support will vary over time based on changes in rent, family size and household income.

estimated cost of $361,880 to identify, test, and process erasure of records.

The bill would require ongoing work that could potentially require additional permanent staff in future fiscal years.

Section 34 increases the real estate conveyance tax rates on conveyances of residential dwellings where the buyer is a business entity other than a sole proprietorship, limited liability company, or limited liability partnership, resulting in a potential General Fund revenue gain annually beginning in FY 24. The magnitude of the revenue gain is dependent on: (1) the number of such conveyances, and (2) the value of the property conveyed.[5]

Sections 34 & 36 transfer revenue in excess of $180 million (adjusted for inflation beginning in FY 25) from the real estate conveyance tax to the Housing Trust Fund (HTF), resulting in: (1) a General Fund revenue loss of approximately $107 million annually, and (2) a commensurate revenue gain to the HTF beginning in FY 24.

This could also result in decreased or slower use of previously-authorized bond funds for the HTF. Future General Fund debt service costs may be incurred later or to a lesser extent under this section to the degree that it causes authorized General Obligation (GO) bond funds to not be expended or to be expended more slowly than they otherwise would have been.

As of March 1, 2023, there is an unallocated bond balance of approximately $63.9 million for the Housing Trust Fund. These sections do not change GO bond authorizations, though additional bonds are authorized in **Section 37**.

Section 35 exempts from the real estate conveyance tax any deeds of property with dwelling units where all of the units are deed-restricted

[5] According to a *Stateline* analysis of data provided by CoreLogic, investors were responsible for 14% of Connecticut home sales in 2021. It is unclear how many of these conveyances would be subject to the increased tax rates under the bill.

as affordable housing, resulting in a potential General Fund revenue loss annually beginning in FY 24. The magnitude of the revenue loss is dependent on: (1) the number of such conveyances, and (2) the value of the property conveyed.[6]

Sections 34 & 35 also result a in a one-time cost of $100,000 to the Department of Revenue Services in FY 24 only associated with programming updates to the CTax tax administration system and myconneCT online portal, and form modification.

Section 37 authorizes $75 million in GO bonds in order to provide grants for specified construction and renovation costs. To the extent bonds are fully allocated and expended, total debt service is expected to be approximately $116 million over the 20-year duration of the bonds.

Sections 38-45 result in General Fund appropriations (in millions of dollars) in FY 24 and FY 25 as listed below.

Sec. #	FY 24 $	FY 25 $	Purpose
38	20.0	20.0	DOH: Increase funding for Coordinated Access Networks
39	83.00	83.0	DOH: Increase funding for Rental Assistance Programs (related to Sec. 31)
40	2.0	2.0	DOH: Increase funding for 2-1-1 (i.e., the entry to the homelessness response system)
41	5.0	5.0	DOH: Increase funding for homelessness diversion and flexible housing programs
42	0.25	None	OPM: Funding to hire consultant to develop municipal model codes
43	5.0	5.0	OPM: Grants to regional council of governments for regional housing inspection programs
44	5.0	5.0	Funding DOH landlord relief pilot program in Sec. 32
45	5.0	5.0	DOH: New funding for assisting housing subsidy recipients to find eligible housing units

The bill also makes various other changes that are technical or

[6] According to the Department of Housing, there were 5,477 deed-restricted affordable housing units in the state in 2022.

conforming in nature, do not apply to the state or municipalities, or can be accomplished with current agency expertise, and therefore have no fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number and value of affected conveyances and the terms of any bonds issued and changes in state employee salary and fringe benefit costs.

Sources: *Department of Housing 2022 Affordable Housing Appeals List*
Stateline, July 22, 2022 "Investors Bought a Quarter of Homes Sold Last Year, Driving Up Rents"

OLR Bill Analysis

sHB 6781

AN ACT ADDRESSING HOUSING AFFORDABILITY FOR RESIDENTS IN THE STATE.

TABLE OF CONTENTS:

§§ 10-22 — PROHIBITION OF HOUSING DISCRIMINATION BASED ON CERTAIN EVICTION RECORDS

Makes it a discriminatory housing practice for a housing provider, based on an individual's prior eviction that occurred more than five years before a rental application or any summary process action that did not result in an eviction, to (1) refuse to rent a unit after making a bona fide offer, (2) refuse to negotiate for the rental unit, or (3) otherwise make unavailable or deny a dwelling unit or deny occupancy in the unit; authorizes anyone aggrieved by such an action to file a complaint with CHRO

§ 23 — OPM OFFICE OF RESPONSIBLE GROWTH

Establishes in statute the Office of Responsible Growth within OPM and assigns it various responsibilities, including coordinating municipalities' submissions of plans to affirmatively further fair housing, as required under the bill

§ 24 — MUNICIPAL PLANS TO AFFIRMATIVELY FURTHER FAIR HOUSING

Replaces the municipal affordable housing planning requirement under current law with a requirement that municipalities (1) adopt plans, in consultation with the OPM State Responsible Growth Coordinator, to affirmatively further fair housing and (2) submit the plans to the growth coordinator pursuant to a schedule he or she sets, or be required to expend certain state funding on developing affordable housing

§ 25 — SEWER CAPACITY TASK FORCE

Establishes a task force to create an inventory of existing sewer capacity in the state and a plan to expand it in accordance with the state plan of conservation and development

§§ 26 & 27 — 8-30G MORATORIA POINTS FOR MIDDLE HOUSING AND AFFH PLANS

Awards municipalities points toward a moratorium from the 8-30g appeals procedure for certain middle housing units (1) developed as of right and (2) located within a ¼ mile of a transit district; authorizes municipalities to qualify for a lower 8-30g moratorium threshold for adopting an AFFH plan, rather than an affordable housing plan

§ 28 — COMMON APPLICATION FOR RENTAL ASSISTANCE

Requires the housing commissioner, in consultation with CHFA and housing authority representatives, to develop and implement a standardized application form for affordable housing programs in the state

§ 29 — DOH PROGRAM TO INCENTIVIZE LANDLORD PARTICIPATION IN TENANT-BASED RENTAL ASSISTANCE PROGRAMS

Requires the DOH commissioner, within available appropriations and in consultation with CHFA and housing authority representatives, to establish a program to incentivize landlord participation in various tenant-based rental assistance programs

§§ 30 & 31 — DOH RAP STUDY AND PROGRAM EXPENDITURES

Requires the DOH commissioner to (1) conduct a study, within available appropriations, on methods to improve the efficiency of processing applications under RAP and (2) affirmatively seek to spend all funds appropriated to the program annually

§ 32 — DOH PILOT PROGRAM TO PROVIDE RELIEF TO LANDLORDS PARTICIPATING IN TENANT-BASED RENTAL ASSISTANCE PROGRAMS

Requires the DOH commissioner to establish a landlord relief pilot program to provide financial assistance to qualifying landlords for eligible expenses incurred by renting to, or seeking to rent to, a recipient of (1) a RAP certificate, (2) an HCV voucher, or (3) any other state rental subsidy; caps this assistance at the lesser of $5,000 per tenancy or $10,000 per dwelling unit

§ 33 — REMOVAL OF CERTAIN EVICTION RECORDS FROM THE JUDICIAL BRANCH WEBSITE

Requires the judicial branch to remove from its website records or identifying information related to eviction proceedings within specified time periods based on an action's disposition; prohibits the judicial branch from selling or transferring these removed records for commercial purposes, such as consumer reporting or tenant screening

§§ 34-36 — REAL ESTATE CONVEYANCE TAX

Increases state real estate conveyance tax rates for conveyances of residential dwellings to specified business entities; exempts conveyances of property with deed-restricted affordable housing dwelling units from the tax; and requires the comptroller to transfer conveyance tax revenue the state receives in excess of $180 million each fiscal year, annually adjusted for inflation, to the Housing Trust Fund

§§ 36 & 37 — BOND AUTHORIZATION FOR HOUSING TRUST FUND

Authorizes up to $75 million in state GO bonds for DOH to provide grants for converting hotels, malls, and office buildings to multifamily dwellings in nondistressed municipalities

§§ 38-45 — DOH AND OPM APPROPRIATIONS

Makes appropriations from the General Fund, for FYs 24 and 25, to DOH and OPM for various housing-related purposes

Recipient
FY
Amount
Purpose
DOH
FYs 24 & 25
$20,000,000
Coordinated Access Networks
FYs 24 & 25
$83,000,000
Rental assistance programs
FYs 24 & 25
$2,000,000
2-1-1 program
FYs 24 & 25
$5,000,000
Diversionary and flexible housing programs
FY 24
$5,000,000
Landlord relief pilot program (see § 32)
FYs 24 & 25
$5,000,000
Assisting housing subsidy recipients to find eligible housing units
OPM
FY 24
$250,000
Hiring a consultant to develop model codes that municipalities may adopt

FYs 24 & 25
$5,000,000
Providing grants to any regional council of governments for developing regional housing inspection programs

SUMMARY

This bill makes various changes to laws related to landlords and tenants and housing. It also establishes a new Office of Responsible Growth within the Office of Policy and Management (OPM), makes changes related to the real estate conveyance tax, authorizes general obligation bonds for the Department of Housing (DOH), and makes appropriations to DOH and OPM for housing-related purposes. A section-by-section analysis follows.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: Various, see below

§ 1 — INCREASED FINES FOR HOUSING VIOLATIONS

Allows (1) municipalities to prescribe civil penalties of up to $2,000 for each violation of their rules on maintaining safe and sanitary housing and (2) landlords to appeal these fines to the municipality's zoning board of appeals, under certain circumstances

Existing law allows municipalities to set penalties, of up to $250, for violations of their regulations and ordinances adopted pursuant to their statutorily enumerated general powers. (It also specifically authorizes other municipal fines for housing blight; see *Background*). The bill additionally allows municipalities to prescribe civil penalties of up to $2,000 for each violation of their rules on maintaining safe and sanitary housing.

The bill allows an owner who is assessed this penalty to appeal to the municipality's zoning board of appeals (ZBA), or the municipality's chief executive officer if no ZBA exists, on the grounds that the violation was due entirely to a tenant's deliberate action. (Existing law generally requires a municipality to notify individuals of their right to contest a citation before a hearing officer, whose decision can be appealed in

Superior Court (CGS § 7-152c).)

EFFECTIVE DATE: October 1, 2023

Background

Fines for Housing Blight. By law, municipalities are authorized to (1) establish fines of between $10 and $100 per day for housing blight, which constitute a lien on the property if unpaid (CGS §§ 7-148(c)(7)(H)(xv) & 7-148aa), and (2) enact an ordinance imposing a special assessment on blighted housing to cover blight enforcement and remediation costs (CGS § 7-148ff).

Related Bill. HB 6666, § 2, reported favorably by the Housing Committee, contains a provision allowing municipalities to prescribe civil penalties of up to $1,000 for each violation of their rules on maintaining safe and sanitary housing.

§§ 2 & 3 — PRE-OCCUPANCY WALK-THROUGHS

Beginning January 1, 2024, requires landlords to give tenants the opportunity to request and complete a pre-occupancy "walk-through" of a dwelling unit after or at the time of entering into a rental agreement; prohibits landlords from keeping any portion of a tenant's security deposit or seeking payment for conditions specifically identified during the walk-through

Beginning January 1, 2024, the bill requires landlords to give tenants the opportunity to request and complete a pre-occupancy "walk-through" of a dwelling unit after or at the time of entering into a rental agreement.

Under the bill, a "walk-through" means a joint, in-person inspection of a dwelling unit by the landlord and tenant or their designees to note and list the unit's existing conditions, defects, or damages using a DOH checklist. The bill requires the DOH commissioner to prepare this standardized, pre-occupancy walk-through checklist and make it available on DOH's website by December 1, 2023. During the walk-through, the landlord and tenant or their designees must note the unit's existing conditions, defects, or damages. Afterwards, they must each sign and receive duplicate copies of the checklist.

When a tenant vacates the dwelling unit, the bill prohibits their landlord from keeping any portion of the tenant's security deposit or seeking payment for a condition, defect, or damage noted in the preoccupancy walk-through checklist. In administrative or judicial proceedings, this checklist is admissible, subject to the rules of evidence. But it is not conclusive as evidence of the unit's condition at the beginning of a tenant's occupancy.

The bill specifies that these provisions do not apply to tenancies under rental agreements entered into before January 1, 2024. It also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2023

§§ 3 & 4 — LIMITS ON RENTAL APPLICATION-RELATED FEES

Limits rental application-related fees and payments that landlords may require from prospective tenants to reimbursements for tenant screening reports and security deposits; requires landlords to (1) provide prospective tenants with these reports and a receipt or invoice and (2) waive the fee if the prospective tenant provides a recent screening report that is satisfactory to the landlord

The bill generally prohibits landlords from requiring prospective tenants to pay any fees, charges, or payments for the reviewing, processing, or accepting of a rental application, or make any other payments before or at the start of tenancy. The bill excludes from this prohibition a security deposit and the fee for a tenant screening report, except that in the latter case it limits the fee to the landlord's actual cost for the report. Under the bill, a "tenant screening report" means a credit report, a criminal background report, an employment history report, a rental history report, or any combination of these that a landlord uses to determine a prospective tenant's suitability.

The bill prohibits landlords from collecting a tenant screening report fee until after they provide the prospective tenant with a copy of the (1) screening report and (2) receipt or invoice from the entity that conducted the report. The bill also requires landlords to waive the tenant screening report fee if a prospective tenant provides a copy of a screening report that is satisfactory to the landlord and was done within 30 days of his or her rental application.

EFFECTIVE DATE: October 1, 2023

Background — Related Bill

sSB 4, § 3, reported favorably by the Housing Committee, contains generally identical provisions.

§ 5 — REQUIRED NOTICE OF PROTECTED TENANT STATUS

Beginning January 1, 2024, requires landlords to provide tenants with a written DOH notice summarizing the rights of protected tenants (i.e., generally certain tenants at least age 62 or with a disability) whenever they rent, or enter or renew an agreement to rent, certain dwelling units

State law provides more protections against evictions and rent increases to certain "protected tenants" residing in a (1) building or complex consisting of five or more separate dwelling units, (2) mobile manufactured home park (including certain conversion tenants), or (3) dwelling unit in a common interest community where the landlord owns five or more units. To qualify for this protection, a tenant must:

1. be at least age 62,

2. have a physical or intellectual disability,

3. permanently reside with a spouse or specified relative that (a) is at least age 62 or (b) has a disability meeting certain requirements, or

4. be a conversion tenant in a mobile home park meeting certain requirements.

Beginning January 1, 2024, the bill requires landlords or their agents to give a written DOH notice summarizing these protections to any tenant that rents, or enters or renews an agreement to rent, one of the units described above.

Existing law, unchanged by the bill, prohibits protected tenants from being evicted solely for their lease expiring (i.e., lapse of time). It also requires that their rent only be increased by an amount that is fair and equitable and allows those aggrieved by a rent increase, and residing in a municipality without a fair rent commission, to bring action to contest

the increase in Superior Court.

Under the bill, the DOH commissioner must create the one-page, plain-language summary of protected tenants' rights and post it on the department's website by December 1, 2023. The bill requires that the notice be available in other languages in addition to English, as determined by the commissioner.

EFFECTIVE DATE: October 1, 2023

§§ 6-8 — HOUSING AUTHORITY TRAINING, INFORMATION, AND AUDIT REQUIREMENTS

Requires housing authorities (1) receiving state assistance to annually give tenants specified information and (2) subject to the State Single Audit Act, to include the audit results in their annual reports; and requires all current and new housing authority commissioners to participate in a federal training

The bill requires (1) existing housing authority commissioners to participate in a federal Department of Housing and Urban Development (HUD) commissioner training by January 1, 2024, and (2) new commissioners to participate in the training upon appointment (§ 6).

Additionally, it requires housing authorities receiving state assistance and the Connecticut Housing Finance Authority (CHFA) (if it or its subsidiaries are successor owners to housing previously owned by a local authority) to annually provide tenants, beginning when they sign their initial lease, with the following information: (1) contact information for the authority's management, local health department, and Commission on Human Rights and Opportunities (CHRO) and (2) a copy of the judicial branch's guidance on tenants' and landlords' rights and responsibilities (§ 7).

Under the bill, housing authorities subject to the state's Single Audit Act (i.e., those with annual revenue of more than $1 million and that spend more than $300,000 in a fiscal year) must include the audit results in the annual reports they must submit by law to the housing commissioner and their respective municipality's chief executive officer (§ 8). (Existing law, unchanged by the bill, also requires the housing commissioner to ensure local housing authorities are audited biennially,

with the authority covering the audit's costs, if the commissioner requires it (CGS § 7-392(d)).)

EFFECTIVE DATE: October 1, 2023

§ 9 — MUNICIPAL LANDLORD IDENTIFICATION REQUIREMENTS

Modifies the current municipal landlord identification requirements, including generally extending the requirements for landlords participating in the federal Housing Choice Voucher program to nonresident rental property owners

Under existing law, generally unchanged by the bill, municipalities can require nonresident owners and landlords renting to Housing Choice Voucher (HCV) program participants (also known as project-based housing providers or PBHPs) to provide (1) their current residential addresses or (2) the current residential address of the agent in charge of the building if the owners are a business entity that owns rental property (i.e., a corporation, partnership, trust, or other legally recognized entity).

Current law includes an additional "controlling participant" requirement for PBHPs. It requires that they provide identifying information and the current residential address of each controlling participant associated with the property, meaning an individual or entity that exercises day-to-day financial or operational control. If a controlling participant is a business entity, the PBHP must identify and provide the residential address for a natural person who exercises control over that entity.

The bill modifies this "controlling participant" disclosure requirement by (1) limiting it to PBHPs that are business entities and (2) extending it to nonresident owners that are business entities. It also redefines controlling participant to mean a natural person who (1) is not a minor and (2) directly or indirectly and through any contract, arrangement, understanding, or relationship exercises substantial control, or owns more than 25%, of a business entity that owns rental property.

EFFECTIVE DATE: October 1, 2023

Background

Resident Advisory Boards. Federal law generally requires public housing agencies (PHAs) to establish at least one resident advisory board to assist and make recommendations on the development of a PHA's public housing agency plan (42 U.S.C. § 1437c-1(e)). A housing authority located in Connecticut that does not administer any HUD programs or receive HUD funding is not considered a PHA and is not subject to this requirement.

HCV Program and PBHPs. The HCV program is the federal government's main program for helping very low-income families afford private market housing (42 U.S.C. § 1437f(o)). Eligible households that are issued a housing voucher must find housing that meets the program's requirements. HUD funds the program and it is administered locally by PHAs and statewide by DOH.

State law defines PBHPs as property owners who contract with HUD to provide housing to tenants under the HCV program.

Related Bills

sSB 4, § 6, and SB 996, § 3, both reported favorably by the Housing Committee, contain generally identical provisions regarding municipal landlord identification requirements.

§§ 10-22 — PROHIBITION OF HOUSING DISCRIMINATION BASED ON CERTAIN EVICTION RECORDS

Makes it a discriminatory housing practice for a housing provider, based on an individual's prior eviction that occurred more than five years before a rental application or any summary process action that did not result in an eviction, to (1) refuse to rent a unit after making a bona fide offer, (2) refuse to negotiate for the rental unit, or (3) otherwise make unavailable or deny a dwelling unit or deny occupancy in the unit; authorizes anyone aggrieved by such an action to file a complaint with CHRO

The bill generally prohibits housing providers from refusing to rent to a prospective tenant based on a person's (1) prior eviction that occurred more than five years before the rental application or (2) status as party to a summary process action that did not result in an eviction. Specifically, the bill makes it a discriminatory housing practice for housing providers, based on this information, to (1) refuse to rent a unit

after making a bona fide offer, (2) refuse to negotiate for the rental unit, or (3) otherwise make unavailable or deny a dwelling unit or deny occupancy in the unit.

The bill's prohibition of these practices applies to landlords and rental property owners or their agents, realtors, property managers, housing authorities, and other entities that provide dwelling units to potential tenants (i.e., housing providers). Additionally, the bill specifically requires housing authorities to limit their consideration of an applicant's or proposed occupant's eviction history to the five-year time period described above, except as otherwise provided by law.

The bill authorizes anyone aggrieved by a violation of its prohibition on housing discrimination based on certain eviction records to, within 300 days of the alleged act, file a complaint with CHRO pursuant to the existing statutory procedure for doing so. CHRO must investigate and grant relief just as it would for other discriminatory housing practices. By law and under the bill, discriminatory housing practice violations are a class D misdemeanor, punishable by up to 30 days in prison, up to a $250 fine, or both (CGS § 46a-64c(g)).

The bill provides that its provisions do not limit the applicability of any reasonable state statute or municipal ordinance restricting the maximum number of people allowed to occupy a dwelling.

EFFECTIVE DATE: October 1, 2023

§ 23 — OPM OFFICE OF RESPONSIBLE GROWTH

Establishes in statute the Office of Responsible Growth within OPM and assigns it various responsibilities, including coordinating municipalities' submissions of plans to affirmatively further fair housing, as required under the bill

The bill establishes in statute the Office of Responsible Growth within OPM's Intergovernmental Policy Division (the office was created by executive order in 2006; see *Background*). It assigns the office the following responsibilities, for which OPM is generally responsible under existing law:

1. preparing the state plan of conservation and development and

reviewing, for consistency with the plan, state agency plans, projects, and bonding requests;

2. coordinating the administration of the Connecticut Environmental Policy Act;

3. facilitating interagency coordination related to land and water resources and infrastructure improvements;

4. providing staff support to the (a) Connecticut Water Planning Council and (b) Advisory Commission on Intergovernmental Relations;

5. coordinating the neighborhood revitalization zone program;

6. helping the state's chief data officer oversee the statewide geographic information system's (GIS) data and resources and participating in the system's user-to-user network to develop GIS data standards and initiatives;

7. serving as the state liaison to the state's region councils on government;

8. administering incentive grant programs for (a) responsible growth and transit-oriented development and (b) regional performance;

9. coordinating municipalities' submissions of plans to affirmatively further fair housing (see § 24 below), including compiling necessary data; and

10. annually preparing the public investment community index.

The bill requires the OPM secretary to (1) adopt related regulations and (2) designate a member of his staff to serve as the State Responsible Growth Coordinator and oversee the Office of Responsible Growth.

EFFECTIVE DATE: October 1, 2023

Background — Office of Responsible Growth

Executive Order No. 15, signed by Governor Rell in October 2006, created the Office of Responsible Growth within OPM's Intergovernmental Policy Division and assigned it various responsibilities. The order additionally required (1) the OPM secretary to designate a staff member as the State Responsible Growth Coordinator and (2) two additional planning staff members to be added to the division.

§ 24 — MUNICIPAL PLANS TO AFFIRMATIVELY FURTHER FAIR HOUSING

Replaces the municipal affordable housing planning requirement under current law with a requirement that municipalities (1) adopt plans, in consultation with the OPM State Responsible Growth Coordinator, to affirmatively further fair housing and (2) submit the plans to the growth coordinator pursuant to a schedule he or she sets, or be required to expend certain state funding on developing affordable housing

Current law requires all municipalities to adopt an affordable housing plan and submit a copy to OPM by June 1, 2022, and then at least once every five years afterwards. The plan must detail how the municipality will increase its number of affordable housing developments, as defined under CGS § 8-30g.

The bill eliminates this requirement and related provisions. Instead, beginning June 1, 2024, it requires all municipalities to adopt a plan to affirmatively further fair housing (AFFH) in consultation with OPM's State Responsible Growth Coordinator ("growth coordinator") (see § 23). Under the bill, an AFFH plan must be designed to:

1. develop additional affordable housing (the bill does not define "affordable housing"),

2. overcome patterns of segregation and promote equity in housing and community assets (see below), and

3. foster inclusive communities without barriers restricting access to opportunities based on protected characteristics.

The bill requires these plans to specify how a municipality will meet the goals the plan sets.

It also sets requirements on the municipal AFFH planning process, adoption schedule, compliance reporting, and noncompliance.

EFFECTIVE DATE: October 1, 2023

Definitions

Under the bill, "segregation" means a comparative geographic concentration of people by race, color, national origin, religion, sex and sexual orientation, gender identity and nonconformance with gender stereotypes, and familial or disability status.

"Equity" means treatment of all individuals, regardless of protected characteristics, that is consistently and systematically fair, just, and nondiscriminatory. It includes concerted actions to overcome past discrimination against underserved communities that have been denied equal opportunity or otherwise adversely affected due to protected characteristics, by public and private policies and practices that perpetuated inequality, segregation, and poverty.

Municipal Planning Process and Adoption Schedule

The bill requires the growth coordinator, by January 1, 2024, to develop and make available a data set for each municipality on its demographic trends, including segregation trends.

As under the current law on municipal affordable housing planning, the bill (1) allows a municipality to hold public informational meetings or other activities to inform residents about the AFFH planning process and (2) requires that it post a copy of any draft plan or amendment on its website. The posting must occur at least 35 days before any public hearings the municipality opts to hold on the plan. Also, following adoption, a municipality must file the final plan in the town clerk's office and post the plan on its website.

A municipality must (1) adopt its AFFH plan by the date the growth coordinator sets in schedule, and then at least once every five years afterwards, and (2) submit a copy to the coordinator each time the plan is amended or adopted. The AFFH planning schedule the growth

coordinator sets must require approximately 20% of the state's municipalities to submit a plan each year. Under the bill, AFFH plans are subject to the coordinator's approval.

Compliance Reporting and Noncompliance

Beginning by December 1, 2024, the bill requires the chief executive officer of each municipality to annually submit a sworn statement to the Office of Responsible Growth that the municipality is compliant with its adopted AFFH plan (see COMMENT). Starting on this date, noncompliant municipalities (i.e., those that have failed to adopt a plan pursuant to the growth coordinator's schedule or submit a sworn compliance statement) must use any Urban Act Grant Program or Small Town Economic Assistance Program (STEAP) funding received related to any economic and community development project for (1) developing affordable housing or (2) infrastructure to support affordable housing development. (It is unclear whether these funds may be repurposed without prior approval from the State Bond Commission for Urban Act grants, or administering agency for STEAP grants.)

Background — Related Bill

HB 6592, reported favorably by the Housing Committee, contains provisions expanding the municipal affordable housing planning requirement by requiring plans to specify how the municipality will improve affordable housing unit accessibility for people with developmental disabilities.

Comment — Conflict Between Reporting Deadlines

The bill requires the State Responsible Growth Coordinator, starting June 1, 2024, to set a five-year schedule for municipalities to submit their AFFH plans so that approximately 20% submit their plans each year. However, the bill also requires each municipality to report to OPM each year, beginning December 1, 2024, that they are complying with the AFFH plan they adopted. It is unclear how municipalities can do so if they have not yet adopted their plans under the five-year schedule.

§ 25 — SEWER CAPACITY TASK FORCE

Establishes a task force to create an inventory of existing sewer capacity in the state and a plan to expand it in accordance with the state plan of conservation and development

Membership

The bill establishes an 11-member task force to create an inventory of existing sewer capacity in the state and a plan to expand it in keeping with the state plan of conservation and development.

Under the bill, task force members must include (1) the commissioners of the Department of Energy and Environmental Protection, Department of Public Health, and Department of Economic and Community Development, or their designees; (2) two each appointed by the House speaker and Senate president pro tempore; and (3) one each appointed by the four other legislative leaders. Legislative appointees may be members of the General Assembly.

The legislative leaders must make the initial task force appointments no later than 30 days after the bill's passage and appointing authorities fill vacancies.

Administration and Reporting Requirement

The bill requires the House speaker and Senate president pro tempore to select task force members to serve as chairpersons. The chairpersons must schedule the task force's first meeting and hold it no later than 60 days after the bill's passage.

The bill requires the task force, by January 1, 2024, to report its finding and recommendations to the Planning and Development Committee. The task force terminates when it submits this report or January 1, 2024, whichever is later. The Planning and Development Committee's administrative staff serves as the task force's administrative staff.

EFFECTIVE DATE: Upon passage

§§ 26 & 27 — 8-30G MORATORIA POINTS FOR MIDDLE HOUSING AND AFFH PLANS

Awards municipalities points toward a moratorium from the 8-30g appeals procedure for certain middle housing units (1) developed as of right and (2) located within a ¼ mile of a transit district; authorizes municipalities to qualify for a lower 8-30g moratorium threshold for adopting an AFFH plan, rather than an affordable housing plan

The bill awards a municipality 1.5 housing unit-equivalent (HUE) points toward a moratorium under the CGS § 8-30g affordable housing appeals procedure ("8-30g appeals procedure") for a middle housing unit in a set-aside development that (1) was developed as of right and (2) is located within ¼ mile of a transit district (see *Background*). (Presumably, this distance would be measured based on the boundaries of the municipality or municipalities the transit district serves.)

Under existing law and unchanged by the bill, a set-aside development means a development in which, for at least 40 years after initial occupancy, at least 30% of the units are deed restricted. Specifically, at least (1) 15% of the units must be deed restricted to households earning 60% or less of the area median income (AMI) or state median income (SMI), whichever is less, and (2) 15% of the units must be deed restricted to households earning 80% or less of the AMI or SMI, whichever is less.

Under the bill, "middle housing" includes duplexes, triplexes, quadplexes, cottage clusters, and townhouses. Housing developed "as of right" can be approved in keeping with zoning regulations without requiring a public hearing, variance, special permit or exception, or any other discretionary zoning action, except for a determination that a site plan conforms with the applicable regulations.

By law, a municipality is generally eligible for a temporary suspension of the 8-30g appeals procedure (i.e., a moratorium) each time it shows it has added a certain number of affordable housing units over the applicable time period (since July 1, 1990, for first moratoria). To be granted a moratorium, a municipality must achieve the greater of (1) 75 HUE points or (2) HUE points equaling more than 2% of their total housing stock, as determined by the most recent decennial census. However, current law provides an exception for certain municipalities. Under the exception, the 2% threshold drops to 1.5% for municipalities that have at least 20,000 dwelling units, adopt an affordable housing plan, and apply for a second or subsequent moratorium. To qualify for this exception, the bill requires a municipality to adopt an AFFH plan,

rather than an affordable housing plan (see § 24).

The bill also makes technical changes.

EFFECTIVE DATE: October 1, 2023

Background

Transit Districts. Transit districts are regional transportation organizations formed by one or more municipalities and authorized by law to acquire, operate, and finance land transportation, such as bus lines and transit terminals. The transit districts can operate their own services or contract with a private operator to provide services. A transit district assumes the same regulatory and supervisory functions over transit systems in its district that the state Department of Transportation (DOT) would exercise, as long as the transit system would otherwise be subject to DOT supervision.

Related Bill. sHB 6777, reported favorably by the Housing Committee, includes a provision awarding municipalities two HUE points toward a moratorium under the 8-30g appeals procedure for residential properties subject to certain affordable housing deed restrictions that qualify for tax abatement under the bill.

§ 28 — COMMON APPLICATION FOR RENTAL ASSISTANCE

Requires the housing commissioner, in consultation with CHFA and housing authority representatives, to develop and implement a standardized application form for affordable housing programs in the state

The bill requires the DOH commissioner, in consultation with CHFA and housing authority representatives that she selects, to develop and implement a standardized application form (i.e., common application) for households seeking affordable housing program benefits in the state. The commissioner must do so by July 1, 2024. Beginning on this date, entities in the state administering affordable housing programs must accept the common application.

Under the bill, "affordable housing program" means DOH's Rental Assistance Program (RAP), the federal HCV program, or any other state-administered programs providing rental payment subsidies (these

types of programs are commonly referred to as "tenant-based rental assistance"). (Housing authorities administering vouchers under the HCV program are subject to federal regulations on, among other things, program admission and the administration of waiting lists (24 C.F.R. § 982.201-.207).)

The bill allows the DOH commissioner to adopt implementing regulations.

EFFECTIVE DATE: Upon passage

Background — Related Bill

SB 1049, reported favorably by the Housing Committee, contains provisions requiring (1) housing authorities to provide DOH with a list of applicants for their housing projects and (2) the department to adopt regulations on creating and maintaining a statewide waiting list for these applications.

§ 29 — DOH PROGRAM TO INCENTIVIZE LANDLORD PARTICIPATION IN TENANT-BASED RENTAL ASSISTANCE PROGRAMS

Requires the DOH commissioner, within available appropriations and in consultation with CHFA and housing authority representatives, to establish a program to incentivize landlord participation in various tenant-based rental assistance programs

The bill requires the DOH commissioner, within available appropriations and in consultation with CHFA and housing authority representatives that she selects, to establish a program to encourage and recruit landlords to accept from prospective tenants HCV vouchers, RAP certificates, or payments from any other state-administered programs providing rental payment subsidies. The program can include advertisements, community outreach events, and communications with landlords who participate in other state housing programs.

Under the bill, the housing commissioner must, beginning by October 1, 2024, report annually to the Housing Committee on (1) the program, including its effectiveness, and (2) related recommendations.

EFFECTIVE DATE: Upon passage

§§ 30 & 31 — DOH RAP STUDY AND PROGRAM EXPENDITURES

Requires the DOH commissioner to (1) conduct a study, within available appropriations, on methods to improve the efficiency of processing applications under RAP and (2) affirmatively seek to spend all funds appropriated to the program annually

The bill requires the DOH commissioner, within available appropriations, to conduct a study on methods to improve the efficiency of processing applications under RAP. The study must include the following components:

1. an analysis of current RAP application processing time, including inspection timelines;

2. an assessment of the application process, including barriers or challenges to applicants or landlords;

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 recommended improvements.

Under the bill, the housing commissioner must submit a report on the study's findings and recommendations to the Housing Committee by January 1, 2024.

Additionally, the bill requires the commissioner to affirmatively seek to spend all funds appropriated to the program annually.

EFFECTIVE DATE: Upon passage, except the appropriations provision is effective October 1, 2023.

Background — Related Bill

sHB 6706, reported favorably by the Housing Committee, contains provisions making various changes to RAP, including, among other things, (1) increasing the amount of time a participant is given to find housing and execute a rental agreement under the program and (2) setting statutory timelines for unit inspection and landlord payment.

§ 32 — DOH PILOT PROGRAM TO PROVIDE RELIEF TO LANDLORDS PARTICIPATING IN TENANT-BASED RENTAL ASSISTANCE PROGRAMS

Requires the DOH commissioner to establish a landlord relief pilot program to provide financial assistance to qualifying landlords for eligible expenses incurred by renting to, or seeking to rent to, a recipient of (1) a RAP certificate, (2) an HCV voucher, or (3) any other state rental subsidy; caps this assistance at the lesser of $5,000 per tenancy or $10,000 per dwelling unit

The bill requires the DOH commissioner to establish a landlord relief pilot program to give financial assistance to qualifying Connecticut landlords for eligible expenses incurred by renting to, or seeking to rent to, a recipient of (1) a RAP certificate, (2) an HCV voucher, or (3) any other state rental subsidy (i.e., a program-eligible tenant). The bill caps this assistance at the lesser of $5,000 per tenancy or $10,000 per dwelling unit. Assistance must be prorated based on the time between a program-eligible tenant's application and the date tenancy begins.

The bill requires the commissioner, on December 1, 2023, to begin accepting landlord applications for financial assistance under the pilot program, in a form she specifies. It also appropriates $5 million to DOH from the General Fund for FY 24 for the pilot program (see § 44).

EFFECTIVE DATE: July 1, 2023

Eligible Expenses

Under the bill, "eligible expenses" include the following:

1. up to two months of lost rent incurred while holding a dwelling unit for a program-eligible tenant while he or she seeks required tenancy approval,

2. up to one month of lost rent incurred due to a vacancy caused by a required unit inspection and any resulting needed repairs,

3. up to one month's rent to cover the cost of repairing damages caused by a program-eligible tenant that exceed normal wear and tear, and

4. up to one month of lost rent due to a program-eligible tenant's

early lease termination.

Inspections and Additional Eligibility Criteria

The bill requires the housing commissioner to set dwelling unit inspection criteria for landlords applying to the pilot program. Regular unit inspections are required for participating landlords.

The bill allows the commissioner to adopt any additional landlord eligibility criteria she deems appropriate for program administration, including criteria based on the amount of rent a landlord charges.

Reporting Requirement

The bill requires the housing commissioner, beginning by December 1, 2024, to annually submit a program report to the Housing Committee (1) analyzing the pilot program's impact on the number of program-eligible tenants successfully obtaining tenancy and (2) recommending whether to permanently establish the program, including related legislative proposals. Both the reporting requirement and pilot program terminate on December 31, 2026.

§ 33 — REMOVAL OF CERTAIN EVICTION RECORDS FROM THE JUDICIAL BRANCH WEBSITE

Requires the judicial branch to remove from its website records or identifying information related to eviction proceedings within specified time periods based on an action's disposition; prohibits the judicial branch from selling or transferring these removed records for commercial purposes, such as consumer reporting or tenant screening

The bill requires the judicial branch to remove from its website any records or identifying information ("records") related to a summary process action (i.e., eviction proceeding) that is withdrawn, dismissed or nonsuited, or decided in the defendant's (i.e., tenant's) favor. The judicial branch must do so within 30 days after the action's disposition. If an action is decided in favor of the plaintiff (i.e., landlord), the judicial branch must remove the records not more than two years after judgment is entered unless directed to do so sooner by court order.

The bill prohibits the judicial branch from including removed records in any sale or transfer of bulk case records to a person or entity purchasing the records for commercial purposes (e.g., selling the

records, providing consumer reporting- and prospective tenant screening-related services, or using the records for any other financial gain). It also expressly prohibits these commercial purchasers from disclosing a removed record. However, the bill exempts from this prohibition the use of the records for governmental, scholarly, educational, journalistic, or other noncommercial purposes.

The bill requires the judicial branch to restore a case to its website, including any associated records that were previously removed, if there is any activity in the case. Similarly, the judicial branch must retain records on its website beyond their removal date if there is an ongoing appeal. Under the bill, restored or retained records remain on the judicial branch website until the later of (1) 30 days after the associated case's disposition or (2) the applicable time period from the original disposition.

Finally, the bill specifies that its requirements do not prevent the judicial branch or a case reporting service from publishing any formal written judicial opinions.

EFFECTIVE DATE: January 1, 2024, and applicable to any summary process action disposed of either before or after this date.

§§ 34-36 — REAL ESTATE CONVEYANCE TAX

Increases state real estate conveyance tax rates for conveyances of residential dwellings to specified business entities; exempts conveyances of property with deed-restricted affordable housing dwelling units from the tax; and requires the comptroller to transfer conveyance tax revenue the state receives in excess of $180 million each fiscal year, annually adjusted for inflation, to the Housing Trust Fund

Rate Increase for Certain Conveyances to Businesses (§ 34)

Under current law, all conveyances of residential dwellings are subject to the state real estate conveyance tax at the following marginal rates:

1. 0.75% on the first $800,000 of the sales price;

2. 1.25% on any portion of the sales price that exceeds $800,000 and is less than or equal to $2.5 million; and

3. 2.25% on any portion of the sales price that exceeds $2.5 million.

Beginning July 1, 2023, the bill increases these rates to 1%, 1.5%, and 2.5% for conveyances of residential dwellings where the buyer is a business entity other than a sole proprietorship, limited liability company, or limited liability partnership. (By law, the seller pays the tax when he or she conveys the property.)

Conveyance Tax Exemption (§ 35)

The bill exempts from the real estate conveyance tax any deeds of property with dwelling units where all of the units are deed-restricted as affordable housing (i.e., housing where households earning no more than the host municipality's area median income, as determined by HUD, spend 30% or less of their annual income on it). For property in which only a portion of the units are deed-restricted affordable housing, the exemption must be proportionately reduced based on the number of unrestricted units.

Transfer of Conveyance Tax Revenue to Housing Trust Fund (§§ 34 & 36)

Starting in FY 24, the bill requires the comptroller to transfer, from the General Fund to the Housing Trust Fund, any conveyance tax revenue the state receives each fiscal year in excess of $180 million. Beginning with FY 25, the bill requires the threshold amount for this transfer to be adjusted annually for inflation (i.e., the percentage increase in the consumer price index for all urban consumers during the preceding calendar year, calculated on a December over December basis using U.S. Bureau of Labor Statistics data).

The bill also makes minor and technical changes to the Housing Trust Fund law to allow these funds (as well as the bond funds described in § 37) to be deposited there.

EFFECTIVE DATE: July 1, 2023

§§ 36 & 37 — BOND AUTHORIZATION FOR HOUSING TRUST FUND

Authorizes up to $75 million in state GO bonds for DOH to provide grants for converting hotels, malls, and office buildings to multifamily dwellings in nondistressed municipalities

The bill authorizes up to $75 million in state general obligation (GO) bonds for DOH to provide grants for construction and renovation costs for converting hotels, malls, and office buildings to multifamily dwellings in nondistressed municipalities. (The bill does not define "nondistressed municipality.") It directs these bond proceeds to the Housing Trust Fund.

Under the bill, the bonds are subject to standard statutory bond issuance procedures and repayment requirements.

EFFECTIVE DATE: July 1, 2023

§§ 38-45 — DOH AND OPM APPROPRIATIONS

Makes appropriations from the General Fund, for FYs 24 and 25, to DOH and OPM for various housing-related purposes

The bill appropriates funds from the General Fund to DOH and OPM for various purposes, as shown in the table below.

Table: DOH and OPM General Fund Appropriations

Recipient	*FY*	*Amount*	*Purpose*
DOH	FYs 24 & 25	$20,000,000	Coordinated Access Networks
	FYs 24 & 25	$83,000,000	Rental assistance programs
	FYs 24 & 25	$2,000,000	2-1-1 program
	FYs 24 & 25	$5,000,000	Diversionary and flexible housing programs
	FY 24	$5,000,000	Landlord relief pilot program (see § 32)
	FYs 24 & 25	$5,000,000	Assisting housing subsidy recipients to find eligible housing units
OPM	FY 24	$250,000	Hiring a consultant to develop model codes that municipalities may adopt
	FYs 24 & 25	$5,000,000	Providing grants to any regional council of governments for developing regional housing inspection programs

EFFECTIVE DATE: July 1, 2023

COMMITTEE ACTION

Housing Committee

Joint Favorable Substitute
Yea 10 Nay 5 (03/02/2023)