



# House of Representatives

General Assembly

**File No. 218**

*January Session, 2001*

Substitute House Bill No. 5291

*House of Representatives, April 10, 2001*

The Committee on Planning and Development reported through REP. DAVIS of the 50th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING FAIR HOUSING MARKETING PLANS AND  
ADMISSION TO ELDERLY AND CONGREGATE HOUSING.***

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

1 Section 8-37ee of the general statutes is repealed and the following  
2 is substituted in lieu thereof:

3 (a) Each entity participating in any program administered by a  
4 housing agency, as defined in section 8-37aa, under this title shall have  
5 an affirmative duty to promote fair housing in each housing  
6 development that is assisted or supervised under any provision of this  
7 title.

8 (b) Any entity applying for financial assistance under any program  
9 administered by a housing agency established by this title shall submit  
10 an affirmative fair housing marketing plan to such housing agency for  
11 its approval. Such plan shall have provisions for recruitment of an  
12 applicant pool that includes residents of all municipalities [of] within



The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:** Indeterminate Cost, Potential Revenue Loss

**Affected Agencies:** Department of Economic and Community Development

**Municipal Impact:** Potential Savings (Housing Authorities)

**Explanation**

This bill modifies the state fair housing policy so that 1) a housing agency must market its program only within a 35-mile radius, rather than to all towns with a high concentration of minority populations, as is current policy; and 2) entities that operate elderly or congregate housing facilities that contain less than 75 units may fill vacancies on a first-come, first serve basis, with certain restrictions.

**State Impact:**

The bill requires the Department of Economic and Community Development (DECD) to provide “appropriate” resources to assist in affirmative marketing efforts if an entity’s marketing plan is deemed inadequate. As the bill does not define either the adequacy of a marketing plan nor what appropriate resources would be, the number of marketing plans that would have to be subsidized as well as the amount of this subsidy cannot be determined. Therefore, the bill results in an indeterminate cost to DECD.

There are currently 122 housing authorities and non-profit entities that operate a total of 8,401 elderly congregate housing units in the state. A total of 89 of these housing entities (with 60% of the total units) operate facilities with less than 75 units. This bill, by allowing entry into these facilities on a modified first come, first serve basis, may result in decreased minority access to over 5,000 of the state's elderly congregate housing units.

Currently, DECD annually certifies to the federal government that Connecticut is in compliance with affirmative fair housing requirements. Depending upon the impact of this bill on minority access to housing, the state may lose significant revenue should DECD find that the state is out of compliance. According to DECD, the state currently receives approximately \$34 million in federal revenue based upon this certification.

The department would also incur additional administrative costs related to the verification of compliance with the new requirements implemented in the bill. These administrative costs cannot be determined at this time.

***Municipal Impact:***

Housing Authorities

This bill, by limiting the marketing radius, and thereby the marketing costs, for affirmative fair housing and expediting the filling of vacancies in elderly and congregate housing through a first come, first serve policy may result in an indeterminate savings for housing authorities.

The debts and liabilities of a housing authority are not those of the municipality in which it is located. Therefore, these potential savings to the housing authorities do not constitute a savings to the

municipalities.

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**OLR Bill Analysis**

sHB 5291

***AN ACT CONCERNING FAIR HOUSING MARKETING PLANS AND ADMISSION TO ELDERLY AND CONGREGATE HOUSING.***

**SUMMARY:**

This bill reduces the geographic scope of plans to market state-funded housing projects affirmatively from all towns with high concentrations of minority people to those within a 35-mile radius of the entity operating a project. Housing authorities, nonprofit organizations, and other entities must prepare these plans when applying for funds from the Department of Economic and Community Development (DECD) and the Connecticut Housing Finance Authority.

These agencies must review the plans and may require the entities to revise them. The bill requires them to help an entity market its projects affirmatively if they find its plan inadequate.

The bill also sets conditions under which entities operating state-funded elderly or elderly congregate housing projects with 75 or fewer units can admit applicants based solely on the time and date of their application. Current regulations require them to admit applicants based on a point system or lottery.

EFFECTIVE DATE: October 1, 2001

**AFFIRMATIVE MARKETING PLANS**

The bill reduces the geographic scope of the affirmative marketing plans entities must prepare when applying for state housing funds. The plans must show how they intend to recruit applicants from towns with relatively high concentrations of minorities. The bill limits the scope to just those towns with high concentrations that fall within a 35-mile radius of the entity's location. The state agencies must give them a list of these towns periodically.

The law requires the agencies to review each plan and requires the entity to revise it if it fails to generate an applicant pool from towns with high concentrations of minorities. In these cases, the bill requires the agencies to help the entity market the project affirmatively.

**WAITING LIST**

The bill allows organizations operating state-funded elderly and elderly congregate housing projects with 75 or fewer units to admit people based solely on the time and date of their application. An organization can do this only when the waiting list is open for applications if it:

1. gives no preference to people who live in the town where the project is located,
2. allows people to apply by mail,
3. precludes giving geographic preferences by assigning each application an order drawn by a lottery, and
4. complies with its affirmative marketing plan and DECD's regulations.

**COMMITTEE ACTION**

Select Committee on Housing

Joint Favorable Substitute Change of Reference  
Yea 12    Nay 0

Planning and Development Committee

Joint Favorable Report  
Yea 17    Nay 0