



Senate

General Assembly

File No. 228

January Session, 2007

Senate Bill No. 1169

Senate, April 2, 2007

The Committee on Planning and Development reported through SEN. COLEMAN of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING ELIGIBILITY FOR THE RENTAL ASSISTANCE PROGRAM.

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

1 Section 1. Subsection (g) of section 8-119kk of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2007*):

4 (g) The commissioner shall adopt regulations in accordance with the
5 provisions of chapter 54 to carry out the purposes of this section. The
6 regulations shall establish maximum income eligibility guidelines for
7 such rental assistance and criteria for determining the amount of rental
8 assistance which shall be provided to elderly persons. [provided,
9 effective July 1, 1997, the] The amount of assistance for elderly persons
10 who are certificate holders shall be the difference between thirty per
11 cent of their adjusted gross income, less a utility allowance, and the
12 base rent. *Effective July 1, 2007, the commissioner shall increase the*
13 *income limits used to determine eligibility for such rental assistance by*
14 *an amount that is twenty per cent greater than the income limits used*

15 to determine rental assistance program eligibility on June 30, 2007. The
16 commissioner may administer the program under this section
17 pursuant to regulations adopted pursuant to section 17b-812 which are
18 in effect on July 1, 1997.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	8-119kk(g)

AGE *Joint Favorable C/R* PD

PD *Joint Favorable*

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 chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 08 \$	FY 09 \$
Department of Economic & Community Development	GF - None	None	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The change in the income limit for eligibility for the Department of Economic and Community Development’s elderly rental assistance program will have no fiscal impact. Those living in state assisted elderly housing are already at or below 80% of the area median income.

The Out Years

None

OLR Bill Analysis**SB 1169*****AN ACT CONCERNING ELIGIBILITY FOR THE RENTAL ASSISTANCE PROGRAM.*****SUMMARY:**

On July 1, 2007, this bill requires the Department of Economic and Community Development (DECD) commissioner to increase the income limit for eligibility for the Elderly Rental Assistance Program (Elderly RAP) by 20% over the limits in effect on June 30, 2007. By policy, the commissioner has set this limit at 80% of the area median income. This is the same limit he has set for admission to state-assisted elderly housing, which the bill does not change (see COMMENT).

Elderly RAP provides rental assistance to low-income elderly persons age 62 and over and younger disabled people in some DECD-assisted elderly rental housing.

EFFECTIVE DATE: July 1, 2007

BACKGROUND***Admission and Assistance Criteria***

The law requires the DECD commissioner to adopt regulations that establish maximum eligibility guidelines for rental assistance (CGS § 8-119k). There are currently no regulations in effect, but the commissioner has, by policy, set the income limit at the same 80% area median income limit used to determine eligibility for admission to state-assisted elderly housing (CGS § 8-115a). Complexes are allowed to set lower limits, but currently they have established 80% as their limit for admission and assistance. Whether residents receive assistance depends on whether their rent is more than 30% of their income.

The amount of assistance is the difference between (1) 30% of their adjusted gross income, less a utility allowance and several other allowable deductions and (2) the housing complex's base rent. The department's draft regulations specify the calculation. These define "base rent" as the minimum rental charge the DECD commissioner determines necessary for a housing development's operation, upkeep, long-term maintenance, and capital replacement reserves.

COMMENT***Implementation Problem***

Under this bill, the 20% increase in the Elderly RAP program eligibility limit will have no effect on the number of people eligible for the program, because to live in the units available for assistance, the resident must still meet the 80% of median area income limit for admission to elderly housing, which the bill does not require the commissioner to change.

COMMITTEE ACTION

Select Committee on Aging

Joint Favorable Change of Reference

Yea 12 Nay 0 (02/27/2007)

Planning and Development Committee

Joint Favorable

Yea 19 Nay 0 (03/14/2007)