



House of Representatives

General Assembly

File No. 171

January Session, 2021

Substitute House Bill No. 6529

House of Representatives, March 29, 2021

The Committee on Housing reported through REP. MCGEE of the 5th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING HOUSING AUTHORITIES.

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

1 Section 1. Section 8-41 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2021*):

3 (a) For purposes of this section, a "tenant of the authority" means a
4 tenant who lives in housing owned or managed by a housing authority
5 or who is receiving housing assistance in a housing program directly
6 administered by such authority. When the governing body of a
7 municipality other than a town adopts a resolution as described in
8 section 8-40, it shall promptly notify the chief executive officer of such
9 adoption. Upon receiving such notice, the chief executive officer shall
10 appoint five persons who are residents of said municipality as
11 commissioners of the authority, except that the chief executive officer
12 may appoint two additional persons who are residents of the
13 municipality if (1) the authority operates more than three thousand
14 units, or (2) upon the appointment of a tenant commissioner pursuant
15 to subsection (c) of this section, the additional appointments are

16 necessary to achieve compliance with 24 CFR 964.415 or section 9-167a.
17 If the governing body of a town adopts such a resolution, such body
18 shall appoint five persons who are residents of said town as
19 commissioners of the authority created for such town, except that such
20 body may appoint two additional persons who are residents of the town
21 if, upon the appointment of a tenant commissioner pursuant to
22 subsection (c) of this section, the additional appointments are necessary
23 to achieve compliance with 24 CFR 964.415 or section 9-167a. The
24 commissioners who are first so appointed shall be designated to serve
25 for a term of either one, two, three, four or five years, except that if the
26 authority has five members, the terms of not more than one member
27 shall expire in the same year. Terms shall commence on the first day of
28 the month next succeeding the date of their appointment, and annually
29 thereafter a commissioner shall be appointed to serve for five years
30 except that any vacancy which may occur because of a change of
31 residence by a commissioner, removal of a commissioner, resignation or
32 death shall be filled for the unexpired portion of the term. If a governing
33 body increases the membership of the authority on or after July 1, 1995,
34 such governing body shall, by resolution, provide for a term of five
35 years for each such additional member. The term of the chairman shall
36 be three years. At least one of such commissioners of an authority
37 having five members, and at least two of such commissioners of an
38 authority having more than five members, shall be a tenant or tenants
39 of the authority selected pursuant to subsection (c) of this section. If, on
40 October 1, 1979, a municipality has adopted a resolution as described in
41 section 8-40, but has no tenants serving as commissioners, the chief
42 executive officer of a municipality other than a town or the governing
43 body of a town shall appoint a tenant who meets the qualifications set
44 out in this section as a commissioner of such authority when the next
45 vacancy occurs. No commissioner of an authority may hold any public
46 office in the municipality for which the authority is created. A
47 commissioner shall hold office until said commissioner's successor is
48 appointed and has qualified. Not later than January 1, 2022, each
49 commissioner who is serving on said date and, thereafter, upon
50 appointment, each newly appointed commissioner who is not a

51 reappointment, shall participate in a training for housing authority
52 commissioners provided by the United States Department of Housing
53 and Urban Development. A certificate of the appointment or
54 reappointment of any commissioner shall be filed with the clerk and
55 shall be conclusive evidence of the legal appointment of such
56 commissioner, after said commissioner has taken an oath in the form
57 prescribed in the first paragraph of section 1-25. The powers of each
58 authority shall be vested in the commissioners thereof. Three
59 commissioners shall constitute a quorum if the authority consists of five
60 commissioners. Four commissioners shall constitute a quorum if the
61 authority consists of more than five commissioners. Action may be
62 taken by the authority upon a vote of not less than a majority of the
63 commissioners present, unless the bylaws of the authority require a
64 larger number. The chief executive officer, or, in the case of an authority
65 for a town, the governing body of the town, shall designate which of the
66 commissioners shall be the first chairman, but when the office of
67 chairman of the authority becomes vacant, the authority shall select a
68 chairman from among its commissioners. An authority shall select from
69 among its commissioners a vice chairman, and it may employ a
70 secretary, who shall be executive director, and technical experts and
71 such other officers, agents and employees, permanent and temporary,
72 as it requires, and shall determine their qualifications, duties and
73 compensation, provided, in municipalities having a civil service law, all
74 appointments and promotions, except the employment of the secretary,
75 shall be based on examinations given and lists prepared under such law,
76 and, except so far as may be inconsistent with the terms of this chapter,
77 such civil service law and regulations adopted thereunder shall apply
78 to such housing authority and its personnel. For such legal services as it
79 requires, an authority may employ its own counsel and legal staff. An
80 authority may delegate any of its powers and duties to one or more of
81 its agents or employees. Any person employed by a housing authority
82 on October 1, 2021, shall submit to a state and national criminal history
83 records check conducted in accordance with the provisions of section
84 29-17a, and, thereafter, any prospective employee hired on or after said
85 date by an authority, shall submit to such criminal history records check

86 prior to commencing employment with the authority. Upon receipt of
87 the criminal history records check information, the housing authority
88 may deny a person employment only upon conducting an
89 individualized assessment in good faith and considering whether (A)
90 there is a substantial nexus between the circumstances of the person's
91 criminal history record information, as defined in section 54-142g, and
92 employment with the housing authority, taking into account the specific
93 facts of the criminal history record information and the essential
94 functions and specific circumstances of the job, (B) there is substantial
95 evidence that the person has not been rehabilitated, and (C) insufficient
96 time has elapsed since the acts underlying the criminal history record
97 information. A commissioner, or any employee of the authority who
98 handles its funds, shall be required to furnish an adequate bond. The
99 commissioners shall serve without compensation, but shall be entitled
100 to reimbursement for their actual and necessary expenses incurred in
101 the performance of their official duties.

102 (b) The authority shall designate a tenant organization as the
103 recognized jurisdiction-wide tenant organization only if (1) the
104 members of the governing board of such tenant organization were
105 elected through a jurisdiction-wide election, and (2) such tenant
106 organization satisfies the requirements for elected jurisdiction-wide
107 resident councils pursuant to regulations promulgated by the United
108 States Department of Housing and Urban Development, except that a
109 tenant of the authority shall be eligible to vote in any election for the
110 governing board of such tenant organization and to serve on the
111 governing board of such tenant organization without regard to whether
112 such tenant receives or lives in housing that receives federal assistance.
113 Any tenant organization that has been designated by the authority as
114 the recognized jurisdiction-wide tenant organization may select tenants
115 for appointment as tenant commissioner in accordance with subsection
116 (c) of this section.

117 (c) (1) Not less than sixty days before the appointment of any tenant
118 commissioner or the expiration of the term of any tenant commissioner,
119 whichever is earlier, the housing authority shall notify all tenant

120 organizations comprised of tenants residing within units owned or
121 managed by such housing authority and all tenants of such authority of
122 such pending appointment or expiration of term. The notice shall
123 include information concerning procedures by which tenants may
124 petition for an election pursuant to this subsection.

125 (2) The appointee as tenant commissioner shall be selected by a fair
126 election of the tenants of the authority if, not more than thirty days after
127 the authority notifies such tenants of a pending appointment or
128 expiration of term pursuant to subdivision (1) of this subsection, ten per
129 cent of the tenants of the authority or seventy-five tenants of the
130 authority, whichever is less, petition the authority for an election.

131 (3) If the tenants of the authority have not petitioned for an election
132 pursuant to subdivision (2) of this subsection, then the appointee as
133 tenant commissioner shall be selected by the recognized jurisdiction-
134 wide tenant organization, if any, by means provided for in the by-laws
135 adopted by such tenant organization. Such means may include, without
136 limitation, a fair election by the tenants of the authority or selection by
137 the governing board of such tenant organization.

138 (4) If an appointee as tenant commissioner has not been selected by
139 an election of the tenants of the authority or by other means pursuant to
140 the by-laws adopted by the recognized jurisdiction-wide tenant
141 organization by the date ninety days after the date the housing authority
142 provides notice of a pending appointment or expiration of term
143 pursuant to subdivision (1) of this subsection, then the appointing
144 authority shall select the appointee. In making such selection, the
145 appointing authority shall consider any tenant recommended by any
146 tenant organization within its jurisdiction or the jurisdiction-wide
147 tenant organization.

148 (5) The housing authority shall provide all tenants of the authority
149 with written notice of any election conducted pursuant to this
150 subsection or subsection (b) of this section not later than thirty days
151 before the date of such election. For any election conducted pursuant to
152 this subsection for an authority having more than five commissioners,

153 the housing authority may establish qualifications for the second tenant
154 commissioner as necessary to achieve compliance with 24 CFR 964.415
155 or section 9-167a.

156 (d) For any election conducted pursuant to subsection (c) of this
157 section, the housing authority shall use its best efforts to secure an
158 impartial entity to administer such election. To the extent practicable,
159 such impartial entity shall be selected with the agreement of the
160 recognized jurisdiction-wide tenant organization, if any. In the event of
161 a dispute concerning the procedure for or results of such election, any
162 person may petition the entity administering such election for a
163 resolution of such dispute.

164 (e) Notwithstanding any provision of subsection (a) of this section or
165 any other provision of the general statutes, a commissioner of an
166 authority may serve as a justice of the peace or a registrar of voters.

167 Sec. 2. Section 8-68f of the general statutes is repealed and the
168 following is substituted in lieu thereof (*Effective October 1, 2021*):

169 Each housing authority which receives financial assistance under any
170 state housing program, and the Connecticut Housing Finance Authority
171 or its subsidiary when [said] such authority or subsidiary is the
172 successor owner of housing previously owned by a housing authority
173 under part II or part VI of this chapter, shall, for housing which it owns
174 and operates, (1) provide each of its tenants with a written lease, (2)
175 provide each tenant, at the time the tenant signs an initial lease and,
176 annually thereafter, contact information for the management of the
177 housing authority, the local department of public health and the
178 Commission on Human Rights and Opportunities, and a notice of a
179 tenant's rights, (3) adopt a procedure for hearing tenant complaints and
180 grievances, [(3)] (4) adopt procedures for soliciting tenant comment on
181 proposed changes in housing authority policies and procedures,
182 including changes to its lease and to its admission and occupancy
183 policies, and [(4)] (5) encourage tenant participation in the housing
184 authority's operation of state housing programs, including, where
185 appropriate, the facilitation of tenant participation in the management

186 of housing projects. If such housing authority or the Connecticut
 187 Housing Finance Authority or its subsidiary operates both a federal and
 188 a state-assisted housing program, it shall use the same procedure for
 189 hearing tenant grievances in both programs. The Commissioner of
 190 Housing shall adopt regulations in accordance with the provisions of
 191 chapter 54 to establish uniform minimum standards for the
 192 requirements in this section.

193 Sec. 3. Section 8-68d of the general statutes is repealed and the
 194 following is substituted in lieu thereof (*Effective October 1, 2021*):

195 (a) Each housing authority shall submit a report to the Commissioner
 196 of Housing and the chief executive officer of the municipality in which
 197 the authority is located not later than March first, annually. The report
 198 shall contain (1) an inventory of all existing housing owned or operated
 199 by the authority, including the total number, types and sizes of rental
 200 units and the total number of occupancies and vacancies in each housing
 201 project or development, and a description of the condition of such
 202 housing, (2) a description of any new construction projects being
 203 undertaken by the authority and the status of such projects, (3) the
 204 number and types of any rental housing sold, leased or transferred
 205 during the period of the report which is no longer available for the
 206 purpose of low or moderate income rental housing, (4) the results of its
 207 annual audit conducted in accordance with subsection (b) of this section,
 208 and [(4)] (5) such other information as the commissioner may require by
 209 regulations adopted in accordance with the provisions of chapter 54.

210 (b) The commissioners of the authority shall annually contract with a
 211 firm of certified public accountants to undertake an independent
 212 financial audit of the authority in accordance with generally accepted
 213 auditing standards.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2021	8-41
Sec. 2	October 1, 2021	8-68f

Sec. 3	October 1, 2021	8-68d
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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: None

Municipal Impact: None

Explanation

The bill 1) establishes background check requirements for housing authority employees and 2) imposes an annual auditing requirement on housing authorities.

This has no fiscal impact on the state or municipalities. Local housing authorities are quasi-government agencies that are created by municipalities. Housing authorities are not financially dependent on the municipalities that create them, nor are those municipalities required to financially support them.

As such, a bill that has a fiscal impact on a housing authority would only subsequently result in a municipal impact if a municipality chose to offer financial support in response to that bill.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 6529*****AN ACT CONCERNING HOUSING AUTHORITIES.*****SUMMARY**

This bill (1) establishes background check requirements for housing authority employees (§ 1), and (2) imposes an annual auditing requirement on housing authorities (§ 3). These requirements apply to local and regional housing authorities and the Connecticut Housing Authority, if it operates as a housing authority. (In practice, only local housing authorities are subject to the bill's provisions.)

The bill requires (1) existing housing authority commissioners to participate in federal Department of Housing and Urban Development (HUD) commissioner training by January 1, 2022, and (2) new commissioners to participate in the training upon appointment (§ 1).

Finally, the bill also requires housing authorities receiving state assistance and the Connecticut Housing Finance Authority (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, (1) contact information for the authority's management, local public health department, and Commission on Human Rights and Opportunities, and (2) a notice of tenant rights (§ 2).

EFFECTIVE DATE: October 1, 2021

BACKGROUND CHECKS

Beginning October 1, 2021, this bill requires housing authority employees to undergo a State Police Bureau of Identification state and national criminal background check. The bill adopts similar requirements for employees hired by housing authorities after that date by requiring them to submit to the background check prior to starting

work. However, the bill limits how a housing authority may use this information in the hiring process. Specifically, a housing authority may only refuse to hire an applicant after conducting a good faith individualized assessment and considering whether:

1. a substantial nexus exists between an applicant’s criminal history and the job he or she applied for;
2. substantial evidence exists that the applicant has not been rehabilitated; and
3. insufficient time has elapsed since the applicant’s criminal history.

ANNUAL AUDIT

The bill requires local housing authorities to annually contract with an independent certified public accountant for a financial audit. The audit results must be included in an authority’s annual report that existing law requires it to submit to the housing commissioner and the chief executive officer of the municipality where it is located. Existing law already requires the (1) housing commissioner to ensure local housing authorities are audited biennially and (2) authority to cover the audit’s costs, if the commissioner requires it (CGS § 7-392(d)).

Additionally, under the State Single Audit Act, housing authorities must audit themselves if they (1) have annual revenue of more than \$1 million and (2) spend more than \$300,000 in a fiscal year (CGS § 4-231).

COMMITTEE ACTION

Housing Committee

Joint Favorable Substitute
Yea 11 Nay 4 (03/11/2021)