



Connecticut Chapter
National Association of Housing and Redevelopment Officials
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Housing Committee
Testimony

Raised House Bill No. 6433: AN ACT CONCERNING INSPECTIONS OF RENTAL PROPERTY PRIOR TO OCCUPANCY OR TERMINATION, LATE RENTAL PAYMENTS AND DESIGNATION OF A RENTAL HOUSING OMBUDSMAN

Chairmen Representative McGee and Senator Lopes, Ranking Members Senator Cicarella and Representative Polletta, and the esteemed members of the Housing Committee,

My name is Elizabeth Sulik and I am submitting testimony representing the Connecticut Chapter of the National Association of Housing and Redevelopment Officials (CONN NAHRO) and on behalf of my community, Stratford Housing Authority. CONN NAHRO represents over 200 members, to include housing authorities, housing developers, service providers and industry organizations. Our mission is to advocate for and support public housing authorities in their efforts to provide decent, safe, and affordable housing and to preserve Connecticut's public housing stock for future generations. We seek to advance industry knowledge and raise standards through professional development and staff training and through networking opportunities. In partnership with local organizations and through our relationship as a NAHRO chapter, we are committed to advocating for policy and legislation that supports, preserves and creates public and affordable housing in Connecticut communities and nationally.

Thank you for giving our members the opportunity to comment **in opposition to subsection b of section 3** of Raised House Bill No. 6433: **AN ACT CONCERNING INSPECTIONS OF RENTAL PROPERTY PRIOR TO OCCUPANCY OR TERMINATION, LATE RENTAL PAYMENTS AND DESIGNATION OF A RENTAL HOUSING OMBUDSMAN**

Subsection b of section 3 provides:

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

Several public housing authorities (PHAs) have expressed their concerns to ConnNAHRO regarding the above raised bill as it relates to late charge fee options and the application of rent payments received.

Late fees assessed by PHAs have been approved by their Board of Commissioners and may currently exceed the proposed \$5 per day / \$25 maximum. The 5% of delinquent rent or 5% of the tenant's share of delinquent rent will be a monthly burdensome task for HA administrative staff, which will ultimately impact the residents of our communities. PHA staff will not only need to compute and apply varying late charges each month, they will also have to track interim/annual recertifications to ensure that appropriate adjustments are made if rent adjustments occurred. Rent adjustments occur due to late recertifications, change/loss of job, unreported income, which under current law are required to ensure that public subsidies are not improperly calculated.

Rent payments received by a PHA are applied to the oldest outstanding rental payment due unless otherwise specified by the tenant. This process provides a clear understanding of the PHAs accounts receivable balance and does not mislead the tenant into a false sense of security that they are current in their rent.

On behalf of our member agencies and more importantly the residents of these properties, we request that you to do not support Raised House Bill No. 6433: **AN ACT CONCERNING INSPECTIONS OF RENTAL PROPERTY PRIOR TO OCCUPANCY OR TERMINATION, LATE RENTAL PAYMENTS AND DESIGNATION OF A RENTAL HOUSING OMBUDSMAN**

Thank you for taking the time to read this testimony.

Sincerely,

Elizabeth Sulik
Executive Director
Stratford Housing Authority