



House of Representatives

General Assembly

File No. 270

February Session, 2022

Substitute House Bill No. 5041

House of Representatives, April 4, 2022

The Committee on Housing reported through REP. WILLIAMS of the 100th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING HOME ENERGY AFFORDABILITY FOR HOME RENTERS.

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

1 Section 1. (NEW) (*Effective January 1, 2023*) (a) As used in this section,
2 "home energy label" means (1) a United States Department of Energy
3 Home Energy score, (2) a Home Energy Rating System Index score, (3)
4 an Energy Star score, or (4) other labels which may be selected by the
5 Commissioner of Energy and Environmental Protection under
6 subsection (b) of this section.

7 (b) The Commissioner of Energy and Environmental Protection may
8 qualify additional labels or replace an existing label as a home energy
9 label. In selecting such additional labels, the commissioner shall
10 consider factors including, but not limited to, (1) the efficiency of the
11 labeling process, (2) the clarity of the information the label provides
12 regarding the residence's estimated energy efficiency, (3) the
13 standardization of the label, (4) the label's compatibility with existing
14 nationally recognized labels, and (5) the reliability of the label. The
15 commissioner may also develop and adopt a label and corresponding

16 report, in a manner and form prescribed by the commissioner, that is
17 specific to the state. The commissioner's selection, replacement, or
18 development of labels under this section shall be conducted in an
19 uncontested proceeding pursuant to chapter 54 of the general statutes.

20 (c) (1) Any landlord, subject to the provisions of subdivision (2) of
21 this subsection, upon (A) listing any dwelling unit for rent through a
22 multiple listing service, real estate brokers' organization or other
23 service, organization, or facility related to the business of selling or
24 renting dwelling units, including private listing services, shall provide
25 a home energy label, with an electronic link to the Internet web site
26 containing the report for such home energy label, through such service,
27 organization or facility for each dwelling unit so listed, or (B) offering
28 any dwelling unit for rent through a means other than those specified in
29 subparagraph (A) of this subdivision, shall provide a home energy label,
30 with an electronic link to the Internet web site containing the
31 corresponding report for such home energy label, to any prospective
32 tenant who visits the dwelling unit.

33 (2) The provisions of this section shall apply (A) on and after July 1,
34 2023, within any municipality containing a census tract in which the
35 average percentage of gross household income spent on home heating
36 and electricity costs is at least ten per cent, (B) on and after July 1, 2024,
37 within any municipality containing a census tract in which the average
38 percentage of gross household income spent on home heating and
39 electricity costs is at least six per cent, (C) on and after July 1, 2025,
40 within any municipality containing a census tract in which the average
41 percentage of gross household income spent on home heating and
42 electricity costs is at least four per cent, and (D) on and after July 1, 2026,
43 within all municipalities. The Commissioner of Housing and the
44 Commissioner of Energy and Environmental Protection shall, not later
45 than March first of each year, publish on the Department of Housing's
46 and the Department of Energy and Environmental Protection's Internet
47 web sites a list of municipalities that meet the criteria set forth in this
48 subsection according to the Low-income Energy Affordability Data Tool
49 maintained by the United States Department of Energy or a successor

50 tool.

51 (3) The provisions of this section shall not apply to (A) the rental of
52 any dwelling unit for which rent payments include a fixed amount for
53 all charges for electricity, natural gas or heating fuel, as defined in
54 section 16a-23m of the general statutes, (B) any dwelling unit in a
55 building that was constructed on or after January 1, 2000, or (C) on or
56 before July 1, 2026, any dwelling unit in any building occupied by the
57 landlord of such building as a residence.

58 (d) (1) Notwithstanding the provisions of section 51-164p of the
59 general statutes, any municipality which meets the criteria set forth in
60 subsection (c) of this section may, by ordinance, establish a civil penalty
61 payable to such municipality for a violation of this section, provided
62 such civil penalty shall not exceed five hundred dollars for a first
63 violation and one thousand dollars for any subsequent violation.

64 (2) Any person assessed any civil penalty under subdivision (1) of
65 this subsection may appeal such assessment to the Superior Court not
66 later than thirty days after the mailing date of the notice of such
67 assessment by filing a petition to reopen the assessment, together with
68 an entry fee equal to the entry fee for a small claims case under section
69 52-259 of the general statutes, at the superior court facility designated
70 by the Chief Court Administrator. Such petition shall entitle such person
71 to a hearing under the rules of the judges of the Superior Court.

72 (3) The remedies set forth in this subsection shall be in addition to
73 any other remedies available at law, or in equity, to any person. This
74 section shall not be construed to limit or restrict the authority of any
75 state or local housing or health code enforcement agency.

76 Sec. 2. Section 47a-1 of the 2022 supplement to the general statutes is
77 repealed and the following is substituted in lieu thereof (*Effective January*
78 *1, 2023*):

79 As used in this chapter and sections 47a-21, 47a-23 to 47a-23c,
80 inclusive, 47a-26a to 47a-26g, inclusive, 47a-35 to 47a-35b, inclusive, 47a-

81 41a, 47a-43, [and] 47a-46, [and section] 47a-7b and section 1 of this act:

82 (a) "Action" includes recoupment, counterclaim, set-off, cause of
83 action and any other proceeding in which rights are determined,
84 including an action for possession.

85 (b) "Building and housing codes" include any law, ordinance or
86 governmental regulation concerning fitness for habitation or the
87 construction, maintenance, operation, occupancy, use or appearance of
88 any premises or dwelling unit.

89 (c) "Dwelling unit" means any house or building, or portion thereof,
90 which is occupied, is designed to be occupied, or is rented, leased or
91 hired out to be occupied, as a home or residence of one or more persons.

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

94 (e) "Owner" means one or more persons, jointly or severally, in whom
95 is vested (1) all or part of the legal title to property, or (2) all or part of
96 the beneficial ownership and a right to present use and enjoyment of the
97 premises and includes a mortgagee in possession.

98 (f) "Person" means an individual, corporation, limited liability
99 company, the state or any political subdivision thereof, or agency,
100 business trust, estate, trust, partnership or association, two or more
101 persons having a joint or common interest, and any other legal or
102 commercial entity.

103 (g) "Premises" means a dwelling unit and the structure of which it is
104 a part and facilities and appurtenances therein and grounds, areas and
105 facilities held out for the use of tenants generally or whose use is
106 promised to the tenant.

107 (h) "Rent" means all periodic payments to be made to the landlord
108 under the rental agreement.

109 (i) "Rental agreement" means all agreements, written or oral, and

110 valid rules and regulations adopted under section 47a-9 or subsection
111 (d) of section 21-70 embodying the terms and conditions concerning the
112 use and occupancy of a dwelling unit or premises.

113 (j) "Roomer" means a person occupying a dwelling unit, which unit
114 does not include a refrigerator, stove, kitchen sink, toilet and shower or
115 bathtub and one or more of these facilities are used in common by other
116 occupants in the structure.

117 (k) "Single-family residence" means a structure maintained and used
118 as a single dwelling unit. Notwithstanding that a dwelling unit shares
119 one or more walls with another dwelling unit or has a common parking
120 facility, it is a single-family residence if it has direct access to a street or
121 thoroughfare and does not share heating facilities, hot water equipment
122 or any other essential facility or service with any other dwelling unit.

123 (l) "Tenant" means the lessee, sublessee or person entitled under a
124 rental agreement to occupy a dwelling unit or premises to the exclusion
125 of others or as is otherwise defined by law.

126 (m) "Tenement house" means any house or building, or portion
127 thereof, which is rented, leased or hired out to be occupied, or is
128 arranged or designed to be occupied, or is occupied, as the home or
129 residence of three or more families, living independently of each other,
130 and doing their cooking upon the premises, and having a common right
131 in the halls, stairways or yards.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2023	New section
Sec. 2	January 1, 2023	47a-1

Statement of Legislative Commissioners:
Section 1 was reorganized and Subsecs. (c) and (d) were rewritten for clarity and consistency with standard drafting conventions.

HSG Joint Favorable Subst. -LCO

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

Providing the information required under the bill has no fiscal impact as it would not directly affect the state or municipalities.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis

HB 5041

AN ACT CONCERNING HOME ENERGY AFFORDABILITY FOR HOME RENTERS.

SUMMARY

This bill requires landlords, when listing or offering certain dwelling units for rent, to provide a qualifying home energy label for the units. With certain exceptions, the requirement is phased-in based on the average percentage of gross household income spent on home heating and electricity costs (i.e., average energy burden) in the municipality in which the unit is located. Under the bill’s schedule, the requirement applies to certain municipalities beginning July 1, 2023, and then, eventually, to all municipalities by July 1, 2026. The bill exempts units with rent payments that include a fixed amount for all electricity, natural gas, or heating fuel costs. It also exempts units located in a building (1) built since January 1, 2000, or (2) in which the building’s landlord resides, but only through July 1, 2026.

The bill specifies qualifying home energy labels and allows the Department of Energy and Environmental Protection (DEEP) commissioner to qualify additional labels, replace an existing label, and develop a state-specific label.

Additionally, the bill allows municipalities to, by ordinance, establish a civil penalty for violations, payable to the municipality. The bill also explicitly provides that it does not limit or restrict the authority of state or local housing or health code enforcement agencies.

EFFECTIVE DATE: January 1, 2023

PROVIDING THE HOME ENERGY LABEL

Under the bill, if a landlord is subject to the home energy label requirement and lists a unit for rent by using a service, organization, or

facility involved in the business of selling or renting dwelling units (e.g., a multiple listing service or real estate brokers' organization), then the landlord must provide the label for the unit through the listing business used. If a unit is instead offered through any other means, the bill requires the landlord to provide a unit's label to prospective tenants who visit the unit. In both circumstances, landlords must include with the label a hyperlink to the website containing the label's corresponding report.

MUNICIPAL PHASE-IN SCHEDULE

Table 1 provides the bill's schedule through which the home energy label requirement applies to a unit if a census tract within the municipality where it is located has the requisite average energy burden.

Table 1: Home Energy Label Municipal Phase-In Schedule

<i>Effective Date</i>	<i>Municipalities Subject to Home Energy Label Requirements</i>
On or after July 1, 2023	Those containing a census tract in which the average energy burden is at least 10%
On or after July 1, 2024	Those containing a census tract in which the average energy burden is at least 6%
On or after July 1, 2025	Those containing a census tract in which the average energy burden is at least 4%
On or after July 1, 2026	All municipalities

The bill requires the Department of Housing (DOH) and DEEP commissioners, annually by March 1, to publish on the agencies' websites a list of municipalities that meet the above schedule criteria based on the U.S. Department of Energy's Low-Income Energy Affordability Data Tool, or a successor tool.

QUALIFYING HOME ENERGY LABELS

Under the bill, a "home energy label" is (1) a U.S. Department of Energy Home Energy score, (2) a Home Energy Rating System Index score, (3) an Energy Star score, or (4) other labels selected by DEEP

commissioner. In selecting additional labels, the DEEP commissioner must consider certain factors, including a label’s:

1. efficiency, regarding the labeling process;
2. clarity, regarding a residence’s estimated energy efficiency;
3. standardization;
4. compatibility with existing nationally recognized labels; and
5. reliability.

Additionally, the commissioner may (1) replace an existing home energy label and (2) develop a state-specific label and corresponding report in the manner and form she prescribes. The bill requires that an uncontested proceeding under the state’s Uniform Administrative Procedure Act be conducted when selecting a new label, replacing an existing label, or developing a new label.

MUNICIPAL CIVIL PENALTY

The bill allows a municipality that contains a census tract with the requisite average energy burden under the phase-in schedule to, by ordinance, establish a civil penalty for violations. The penalty, payable to the municipality, cannot exceed \$500 for the first violation and \$1,000 for subsequent violations. The bill allows landlords, for up to 30 days from the mailing date of a violation notice, to appeal in Superior Court and receive a hearing. To do so, a landlord must file a petition to reopen the assessment and pay an entry fee to the court that equals the entry fee for a small claims case (currently, \$95). Under the bill, these remedies are in addition to any other remedies available at law, or in equity, to any person.

COMMITTEE ACTION

Housing Committee

Joint Favorable
Yea 13 Nay 2 (03/15/2022)