
OLR Bill Analysis

sSB 996

AN ACT CONCERNING HOUSING DEVELOPMENT IN THE STATE, ESTABLISHING A HOUSING AUTHORITY RESIDENT QUALITY OF LIFE IMPROVEMENT GRANT PROGRAM AND A HOUSING CHOICE VOUCHER TASK FORCE AND REQUIRING THE DISCLOSURE OF CERTAIN NATURAL PERSON OWNERSHIP INTERESTS IN REAL PROPERTY.

SUMMARY

This bill establishes a grant program, administered by the Department of Housing (DOH), to provide housing authorities with funding for improvements to their residential buildings. It also creates related requirements for the application process, funding limits, and use of the grants.

The bill also establishes a task force to study the federal Housing Choice Voucher (HCV) program and its implementation in the state. It requires the task force to report its findings and recommendations to the Housing Committee and the state's congressional delegation by January 16, 2024.

Current law allows municipalities to require that landlords renting to HCV program participants provide identifying information for certain individuals that exercise control of these properties (i.e., controlling participants). The bill extends this provision to also cover nonresident owners of rental property and makes it applicable only to business entities. It also provides additional specificity as to what individuals qualify as controlling participants (generally those that exercise substantial control of, or own more than 25% of, these business entities).

Finally, the bill makes minor and technical changes.

EFFECTIVE DATE: Upon passage, except the provisions on municipal landlord identification requirements, which take effect

October 1, 2023.

§ 1 — GRANT PROGRAM FOR HOUSING AUTHORITIES

The bill establishes a new grant program to provide housing authorities with funding for improvements to their residential buildings, as may be recommended by their resident advisory boards (see BACKGROUND). It requires DOH to award program grants within available appropriations and begin accepting applications by October 1, 2023.

Under the bill, housing authorities can apply for a grant by submitting applications to DOH as the commissioner prescribes. The department must evaluate applications and can award up to \$250,000 in total grants under the program per fiscal year. These grants must provide an ongoing benefit to residents of the housing authority-managed building or buildings subject to the proposed improvements, as determined by the commissioner.

Additionally, the commissioner may adopt regulations to carry out the program.

§ 2 — HOUSING CHOICE VOUCHER PROGRAM TASK FORCE

The bill establishes a 12-member task force to study the federal HCV program (see BACKGROUND) and its implementation in the state, including any disparate impacts the program has on the development of at-risk children and youth or families.

Membership, Initial Appointments, and Vacancies

Task force members may be General Assembly members and must include (1) the Housing Committee chairpersons and ranking members, or their designees, (2) two each appointed by the minority leaders of the House and Senate, and (3) one each appointed by the four other legislative leaders. The legislative leaders must make the initial task force appointments no later than 30 days after the bill's passage and appointing authorities fill vacancies.

Chairpersons, Meetings, and Reporting Requirement

The bill requires the House speaker and Senate minority leader to each select a task force member to serve as a chairperson. The chairpersons must schedule the task force's first meeting and hold it no later than 60 days after the bill's passage.

The bill requires the task force, by January 16, 2024, to report on its findings and recommendations to the Housing Committee and the state's congressional delegation. The task force terminates when it submits this report or January 16, 2024, whichever is later. The Housing Committee's administrative staff serves as the task force's administrative staff.

§ 3 — MUNICIPAL LANDLORD IDENTIFICATION REQUIREMENTS

Under existing law, generally unchanged by the bill, municipalities can require nonresident owners and landlords renting to HCV program participants (also known as project-based housing providers or PBHPs) to provide (1) their current residential addresses or (2) the current residential address of the agent in charge of the building if the owners are a business entity that owns rental property (i.e., a corporation, partnership, trust, or other legally recognized entity).

Current law includes an additional "controlling participant" requirement for PBHPs. It requires that they provide identifying information and the current residential address of each controlling participant associated with the property, meaning an individual or entity that exercises day-to-day financial or operational control. If a controlling participant is a business entity, the PBHP must identify and provide the residential address for a natural person who exercises control over that entity.

The bill makes changes to this "controlling participant" requirement. It only requires a PBHP to disclose the identifying information and current residential addresses of its controlling participants if the PBHP is a business entity. It also redefines controlling participant to mean a natural person who (1) is not a minor and (2) directly or indirectly and through any contract, arrangement, understanding, or relationship,

exercises substantial control of, or owns more than 25% of, a business entity that owns rental property. Finally, the bill extends this requirement to nonresident owners in addition to PBHPs.

BACKGROUND

Resident Advisory Boards

Federal law generally requires public housing agencies (PHAs) to establish at least one resident advisory board to assist and make recommendations on the development of a PHA's public housing agency plan (42 U.S.C. § 1437c-1(e)). A housing authority located in Connecticut that does not administer any Housing and Urban Development (HUD) programs or receive HUD funding is not considered a PHA and so is not subject to this requirement.

HCV Program and PBHPs

The HCV program is the federal government's main program for helping very low-income families afford private market housing (42 U.S.C. § 1437f(o)). Eligible households that are issued a housing voucher must find housing that meets the program's requirements. HUD funds the program and it is administered locally by PHAs and statewide by DOH.

State law defines PBHPs as property owners who contract with HUD to provide housing to tenants under the HCV program.

Related Bills

sSB 4, § 6, and sHB 6781, § 9, both reported favorably by the Housing Committee, contain identical provisions on municipal landlord identification requirements.

COMMITTEE ACTION

Housing Committee

Joint Favorable

Yea 15 Nay 0 (02/28/2023)