

OFFICE OF LEGISLATIVE RESEARCH  
PUBLIC ACT SUMMARY



**PA 23-207—sSB 998**

*Planning and Development Committee*

*Appropriations Committee*

*Finance, Revenue and Bonding Committee*

**AN ACT ESTABLISHING A TAX ABATEMENT FOR CERTAIN  
CONSERVATION EASEMENTS AND ADDRESSING HOUSING  
AFFORDABILITY FOR RESIDENTS IN THE STATE**

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*Beginning January 1, 2024, requires landlords to give tenants the opportunity to request and complete a pre-occupancy walk-through of a dwelling unit after or at the time of entering into a rental agreement; prohibits landlords from keeping any portion of a tenant's security deposit or seeking payment for conditions specifically identified during the walk-through*

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*Limits rental application-related fees and payments that landlords may require from prospective tenants; requires landlords to give prospective tenants a copy of any required tenant screening report or related information, and a receipt or invoice; prohibits landlords from charging tenants a move-in or move-out fee*

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*Requires housing authorities (1) receiving state assistance to annually give tenants specified information and (2) subject to the State Single Audit Act, to include the audit results in their annual reports; requires all current and new housing authority commissioners to participate in a training*

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*Requires (1) DOH to develop standardized rental agreement forms that landlords and tenants may use, (2) municipal code enforcement agencies to create housing code violation complaint forms for tenants, (3) that both forms be made available in English and Spanish, and (4) DOH to make the rental agreement forms available in additional languages by December 1, 2028*

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*Requires OPM, by December 1, 2024, to create a methodology meeting certain requirements for each municipality's fair share allocation of affordable housing by generally (1) assessing the affordable housing need in each of the state's planning regions and (2) fairly allocating this need to each region's municipalities*

[§ 19 — DOH PROGRAM TO INCENTIVIZE LANDLORD PARTICIPATION IN TENANT-BASED RENTAL ASSISTANCE PROGRAMS](#)

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*Requires the Judicial Department to remove records or identifying information on certain eviction proceedings from its website within a specified time period; prohibits the department from selling or transferring these removed records for commercial purposes, such as consumer reporting or tenant screening*

### §§ 24 & 25 — REAL ESTATE CONVEYANCE TAX EXEMPTIONS AND TRANSFERS

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### § 26 — HOUSING DISCRIMINATION BASED ON SEXUAL ORIENTATION

*Subjects the rental of certain owner-occupied dwelling units to a state law that prohibits housing discrimination specifically due to a person's sexual orientation or civil union status*

### § 27 — SEWERAGE SYSTEM REGULATORY OVERSIGHT

*Transfers from DEEP to DPH regulatory authority over certain small community sewerage systems and household and small commercial subsurface sewerage disposal systems, requires the agencies to adopt regulations on them, and applies DEEP's newly adopted regulations to these systems beginning January 1, 2025*

### §§ 28-35 — WORKFORCE HOUSING DEVELOPMENTS

*Establishes various state and local financial incentives for individuals and businesses investing in and developing rental units set aside for designated workforce populations*

### § 36 — AFFORDABLE HOUSING ROUNDTABLE GROUP

*Establishes the majority leaders' roundtable group on affordable housing, consisting of 24 members, to study various topics related to promoting and developing affordable housing in the state*

### § 37 — HOUSING TRUST FUND PROGRAM ADVISORY COMMITTEE

*Eliminates the Housing Trust Fund Program Advisory Committee*

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*Generally shortens the deadline for landlords to return a tenant's security deposit and interest on deposits*

### §§ 40 & 41 — PUBLISHING PAYMENT STANDARDS FOR TENANT-BASED RENTAL ASSISTANCE AND DOH COMMON RENTAL APPLICATION FOR HOUSING AUTHORITIES

*Requires (1) any housing authority that administers a tenant-based rental assistance program to publicly post a payment standard (or similar information) within 30 days after setting or updating*

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*it and (2) the housing commissioner to develop a common rental application that housing authorities may use*

### § 42 — SCHOOL BUILDING PROJECT REIMBURSEMENT RATE

*Makes boards of education in an “inclusive municipality” eligible for a five-percentage point increase to their state grant reimbursement rate for school building projects*

### § 43 — DOH TEMPORARY HOUSING PILOT PROGRAM

*Requires DOH, within available appropriations, to establish a pilot program to provide temporary housing to individuals experiencing homelessness and veterans who need respite care*

**SUMMARY:** This act makes various changes in laws on housing and the Department of Housing (DOH), municipalities, housing authorities, and landlords and tenants, as described in the section-by-section analysis below. It also makes technical and conforming changes.

**EFFECTIVE DATE:** Various, see below.

### **§§ 1 & 2 — MUNICIPAL PROGRAMS TO ABATE PROPERTY TAXES FOR CERTAIN CONSERVATION RESTRICTIONS**

*Allows municipalities, by ordinance, to establish a program abating property taxes for qualifying portions of a taxpayer’s land that are subject to a conservation easement preserving its use as a recreational trail and specifies that municipalities may recommend in their POCDs that portions of land meeting certain greenways criteria be preserved as open space*

The act allows municipalities to adopt an ordinance establishing a program to abate property taxes for qualifying portions of a taxpayer’s land subject to a conservation restriction preserving its use as a recreational trail. It relatedly establishes an application and municipal approval process for these abatements. Under the act, an abatement continues with the land (even if sold or transferred) until the municipality’s legislative body, or board of selectmen if the legislative body is a town meeting, votes to end it.

Under existing law, municipalities may designate in their local plans of conservation and development (POCD) particular areas of land for recommended preservation as open space, making it eligible for classification as open space for property tax purposes. The act specifies that this designation may also include portions of land, including terrestrial recreational trail corridors that meet Connecticut Greenways Council (CGC)-established criteria for designating greenways (see *Background — CGC Designation Criteria*).

**EFFECTIVE DATE:** October 1, 2023, and the property tax abatement provision applies to assessment years beginning on or after that date.

#### *Eligibility*

Under the act, to qualify for a property tax abatement, the portion of land involved must meet the following criteria:

1. be a terrestrial recreation trail with a clearly defined trail corridor that does

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- not exceed 100 feet at its widest point;
2. meet CGC's criteria for designation as a greenway; and
3. be subject to a recorded permanent conservation restriction that (a) is conveyed to the municipality, the state, or a nonprofit land conservation organization and (b) does not prohibit public use of the trail for compatible recreation purposes.

### *Application and Approval*

After the municipality adopts an ordinance for the abatement program, the act authorizes owners of eligible land to apply to the municipal assessor for an abatement. The application must be made on an assessor-prescribed form and include the following:

1. a description of the land;
2. a copy of the land's permanent conservation restriction;
3. a copy of the owner's deed;
4. a certified land survey, done by a licensed surveyor, showing the recreation trail's boundaries on the owner's land; and
5. any other information the assessor requires to determine the property's eligibility.

The act requires the assessor, within 30 days after receiving the application, to submit it to the municipality's legislative body (or board of selectmen if the legislative body is a town meeting) along with his or her recommendation on whether it should be approved or denied, based on the act's eligibility criteria (see above). The legislative body, or board of selectmen, as applicable, must approve of the abatement by a vote.

### *Background — CGC Designation Criteria*

In 1995, the legislature created the CGC and required it to set criteria for designating official greenways (CGS § 23-102). To be considered for the designation, a project must meet at least one of the council's criteria, which consider, among other things, whether the project (1) connects existing open spaces, trail segments, neighborhoods, or transportation centers; (2) is a municipal project included in a local POCD; (3) is included in a regional council of governments plan; (4) is sponsored by an organization with a proven record of land use protection; or (5) may be a key link in an emerging greenway.

### § 3 — INCREASED FINES FOR HOUSING VIOLATIONS

*Allows (1) municipalities to set civil penalties of up to \$2,000 per day against landlords for each violation of their rules on maintaining safe and sanitary housing and (2) landlords to appeal these fines to the municipality's legislative body or board of selectmen under certain circumstances*

Existing law allows municipalities to set penalties of up to \$250 for violations of their regulations and ordinances adopted under their statutorily enumerated general powers. The act additionally allows municipalities to prescribe civil

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penalties of up to \$2,000 against rental property owners for each violation of the municipality's rules on maintaining safe and sanitary housing. However, the act requires the municipalities to enforce multiple violations discovered on the same date as one violation.

The act allows an owner who is assessed this penalty to appeal to the municipality's legislative body, or board of selectmen where the legislative body is a town meeting, on the grounds that the violation was proximately caused by a tenant's deliberate or reckless action.

EFFECTIVE DATE: October 1, 2023

### §§ 4 & 5 — PRE-OCCUPANCY WALK-THROUGHS

*Beginning January 1, 2024, requires landlords to give tenants the opportunity to request and complete a pre-occupancy walk-through of a dwelling unit after or at the time of entering into a rental agreement; prohibits landlords from keeping any portion of a tenant's security deposit or seeking payment for conditions specifically identified during the walk-through*

Beginning January 1, 2024, the act requires landlords to give tenants the opportunity to request and complete a pre-occupancy "walk-through" of a dwelling unit after or at the time of entering into a rental agreement.

Under the act, a "walk-through" is a joint, in-person inspection of a dwelling unit by the landlord and tenant or their designees to note and list the unit's existing conditions, defects, or damages using a DOH checklist. The act requires the DOH commissioner to prepare this standardized, pre-occupancy walk-through checklist and make it available on the department's website by December 1, 2023. During the walk-through, the landlord and tenant or their designees must note the unit's existing conditions, defects, or damages. Afterwards, they must each sign and receive duplicate copies of the checklist.

When a tenant vacates the dwelling unit, the act prohibits the landlord from keeping any portion of the tenant's security deposit or seeking payment for any condition, defect, or damage noted in the preoccupancy walk-through checklist. Subject to the rules of evidence, the act makes the checklist admissible in administrative or judicial proceedings as evidence of the unit's condition at the beginning of a tenant's occupancy but specifies that the list is not conclusive evidence.

The act specifies that these provisions do not apply to tenancies under rental agreements entered into before January 1, 2024.

EFFECTIVE DATE: October 1, 2023

### §§ 5 & 6 — LIMITS ON RENTAL APPLICATION-RELATED FEES

*Limits rental application-related fees and payments that landlords may require from prospective tenants; requires landlords to give prospective tenants a copy of any required tenant screening report or related information, and a receipt or invoice; prohibits landlords from charging tenants a move-in or move-out fee*

The act generally prohibits landlords from requiring prospective tenants to pay any fees, charges, or payments for reviewing, processing, or accepting a rental

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application, or make any other payments before or at the start of tenancy, with certain exceptions. The act excludes from this prohibition (1) security deposits, (2) advance payments for first month's rent, (3) deposits for a key or other special equipment, and (4) fees for a tenant screening report. Under the act, a "tenant screening report" is a credit report, criminal background report, employment history report, rental history report, or any combination of these that a landlord uses to determine a prospective tenant's suitability.

Beginning on October 1, 2023, the act limits the fee a landlord may charge for a tenant screening report to \$50 plus an inflation adjustment that reflects any increase in the consumer price index for urban consumers. The housing commissioner must annually determine this inflation adjustment.

Under the act, landlords that charge a prospective tenant a fee for a tenant screening report must give him or her (1) (a) a copy of the report or (b) information that would allow the tenant to request it from the service provider that produced it, if the landlord is prohibited from doing so, and (2) a receipt or invoice from the entity that conducted the report.

Lastly, the act prohibits landlords from charging tenants a move-in or move-out fee.

EFFECTIVE DATE: October 1, 2023

### §§ 7 & 8 — LIMITS ON LATE FEES FOR OVERDUE RENT

*Limits late fees that landlords may impose for overdue rent; prohibits rental agreements from requiring any late fees that exceed these amounts; prohibits landlords from assessing more than one late fee on an overdue rent payment*

By law, if a rental agreement requires tenants to pay a late charge for overdue rent, it must give them a nine-day grace period (or four days for week-to-week tenancies) before imposing the charge. The act limits the late charges landlords may impose after this grace period. Under the act, if a rental agreement contains a valid written agreement to pay late charges after the grace period, the charges may not exceed the lesser of (1) \$5 per day, up to a \$50 maximum, or (2) 5% of the overdue rent (or 5% of the tenant's share for rental agreements that are partially paid by a government or charitable entity).

The act prohibits rental agreements from requiring tenants to agree to late charges that exceed these limits. Additionally, it prohibits landlords from assessing more than one late charge on an overdue rent payment, regardless of the length of time for which the payment is overdue.

EFFECTIVE DATE: October 1, 2023

### § 9 — SECURITY DEPOSIT GUARANTEE PROGRAM

*Makes various changes to DOH's Security Deposit Guarantee Program, including, among other things, expanding program eligibility and reducing the frequency with which a person may apply for assistance*

The act makes several changes to DOH's security deposit guarantee program.

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It generally extends eligibility for the program to any person with a documented financial need whose income is less than 60% of the state median income. It also reduces, from every 18 months to every 24 months, the frequency with which a person may apply for assistance unless the DOH commissioner grants an exception. The act allows the commissioner to deny eligibility to an applicant after paying one or more claims by a landlord, rather than after paying two claims as prior law allowed.

Under existing law, the program may provide a deposit guarantee that a person may use in place of a security deposit. The commissioner, or a local or regional nonprofit or social services organization with whom the department contracts, may execute a written agreement to pay the landlord for damages suffered due to a tenant's failure to comply with his or her obligations. The payment is capped at the amount of the deposit.

EFFECTIVE DATE: July 1, 2023

### *Eligibility*

The act makes the security deposit guarantee program available to (1) any person or family (a) whose income is less than 60% of the state median income adjusted for family size, as determined by the U.S. Department of Housing and Urban Development (HUD), and (b) that has a documented financial need, as determined by the housing commissioner; (2) a person who has been served a writ, summons, and complaint related to eviction; or (3) a person who has a certificate or voucher from a rental assistance program or federal voucher program.

The act replaces prior law's eligibility requirements, under which a person was eligible for the program if he or she (1) met one of the latter two factors listed above, or lived in an emergency shelter or other emergency housing for specified reasons (e.g., a catastrophic event), and (2) received TFA (Temporary Family Assistance), SAGA (state-administered general assistance), or aid under the state supplement program, or had a documented showing of financial need.

Existing law requires the DOH commissioner to prioritize eligible veterans when providing guarantees. Prior law authorized the commissioner to set more priorities based on eligibility criteria other than receipt of cash assistance or documented financial need (e.g., shelter or emergency housing status). The act instead authorizes her to set more priorities based on any of the act's eligibility criteria.

### *Application Frequency*

The act increases, from 18 months to 24 months, the length of time that a person must wait before re-applying for a security guarantee unless the commissioner authorizes an exception. As under existing law, if the commissioner authorizes an exception, the amount of the subsequent guarantee must be reduced by the amount of any (1) previous grant that has not been returned to DOH and (2) payment to a landlord for damages.



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### *Claims*

The act shortens the deadline for a landlord to submit a claim for damages from 45 days to 20 days after the termination of a tenancy.

Under prior law, if the DOH commissioner paid a landlord's claim for a person whose income exceeded 150% of the federal poverty level, then the person had to contribute 5% of one month's rent to paying the security deposit. The act increases this to 50% of one month's rent.

### *Contracts With Other Organizations*

The act reinstates the DOH commissioner's authority to pay a security deposit grant to a person receiving the grant through any local or regional nonprofit corporation or social service organization under an existing contract with DOH. Under prior law, this authority expired in 2000.

### *Regulations*

Existing law requires the DOH commissioner to adopt regulations to implement the program, but allows her to implement the program before adoption if she has published a notice of intent to adopt regulations. The act requires her to post the notice on the eRegulations System, rather than publish it in the *Connecticut Law Journal*.

## § 10 — REQUIRED NOTICE OF PROTECTED TENANT STATUS

*Beginning January 1, 2024, requires landlords to give tenants a written DOH notice summarizing the rights of protected tenants (i.e., generally certain tenants at least age 62 or with a disability) whenever they rent, or enter or renew an agreement to rent, certain dwelling units; requires that the notice be available in both English and Spanish, and eventually additional languages*

State law provides certain protections against evictions and rent increases to certain "protected tenants" residing in a (1) building or complex with at least five separate dwelling units, (2) mobile manufactured home park (including certain conversion tenants), or (3) dwelling unit in a common interest community where the landlord owns at least five units. To qualify for this protection, a tenant must:

1. be at least age 62,
2. have a physical or intellectual disability,
3. permanently reside with a spouse or specified relative who (a) is at least age 62 or (b) has a disability meeting certain requirements, or
4. be a conversion tenant in a mobile home park meeting certain requirements.

Beginning January 1, 2024, the act requires landlords or their agents to give a written DOH notice summarizing these protections to any tenant that rents, or enters or renews an agreement to rent, one of the units described above.

Under the act, the DOH commissioner must create a one-page, plain-language summary of protected tenants' rights and post it on the department's website by December 1, 2023. The act requires that the notice be available in both English and

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Spanish. Additionally, it requires the commissioner, by December 1, 2028, to (1) translate the notice into the five most commonly spoken languages in the state, as she determines, and (2) post the translations on DOH's website.

Existing law, unchanged by the act, prohibits protected tenants from being evicted solely for their lease expiring (i.e., lapse of time). It also limits their rent increases to a fair and equitable amount and allows those aggrieved by a rent increase and residing in a municipality without a fair rent commission to bring an action to contest the increase in Superior Court.

EFFECTIVE DATE: October 1, 2023

### §§ 11, 12 & 15 — HOUSING AUTHORITY TRAINING AND INFORMATION REQUIREMENTS

*Requires housing authorities (1) receiving state assistance to annually give tenants specified information and (2) subject to the State Single Audit Act, to include the audit results in their annual reports; requires all current and new housing authority commissioners to participate in a training*

The act requires (1) existing housing authority commissioners, by January 1, 2024, to participate in a "housing authority commissioner training" provided by an industry-recognized training provider and (2) new commissioners to do so upon appointment (§ 11).

It also requires housing authorities receiving state assistance and the Connecticut Housing Finance Authority (CHFA) (if it or its subsidiaries are successor owners to housing previously owned by a local authority) to annually give tenants, beginning when they sign their initial lease: (1) contact information for the authority's management, the local health department, and Commission on Human Rights and Opportunities and (2) a copy of the judicial branch's guidance on tenants' and landlords' rights and responsibilities (§ 12).

The act requires housing authorities subject to the state's Single Audit Act (generally, those with annual revenue of more than \$1 million and that spend more than \$300,000 in state assistance in a fiscal year) to include the audit results in the annual reports they must submit under existing law to the housing commissioner and their respective municipality's chief executive officer (§ 15).

EFFECTIVE DATE: October 1, 2023

### §§ 13 & 14 — STANDARDIZED RENTAL AGREEMENT AND HOUSING CODE VIOLATION FORMS IN ENGLISH AND ADDITIONAL LANGUAGES

*Requires (1) DOH to develop standardized rental agreement forms that landlords and tenants may use, (2) municipal code enforcement agencies to create housing code violation complaint forms for tenants, (3) that both forms be made available in English and Spanish, and (4) DOH to make the rental agreement forms available in additional languages by December 1, 2028*

The act requires the DOH commissioner, within existing appropriations, to develop standardized rental agreement forms that landlords and tenants may use. The forms must (1) contain a rental agreement's essential terms; (2) be easily readable; and (3) include plain-language explanations of all the terms and

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conditions, including rent, fees, deposits, and other charges. DOH must post the forms on its website by July 1, 2024, and make them available in both English and Spanish. The act requires the department to revise the forms at the commissioner's discretion.

Additionally, the act requires the department, by December 1, 2028, to (1) translate these forms into the five most commonly spoken languages in the state, as determined by the housing commissioner, and (2) post the translations on its website.

The act also requires agencies empowered to enforce municipal health and safety standards or the local housing code (i.e., the board of health or other designated authorities) to create and make available housing code violation complaint forms, in both English and Spanish, for tenants to use.

EFFECTIVE DATE: October 1, 2023

### § 16 — MUNICIPAL LANDLORD IDENTIFICATION REQUIREMENTS

*Modifies current municipal landlord identification requirements, including generally extending certain requirements for landlords participating in the federal Housing Choice Voucher program to nonresident rental property owners; exempts information provided under these requirements from FOIA*

Under existing law, generally unchanged by the act, municipalities may require nonresident property owners and landlords renting to Housing Choice Voucher (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). The act additionally generally requires these landlords and owners to provide identifying information about individuals who exercise day-to-day financial or operational control of the property (i.e., “controlling participants”).

Under prior law, the “controlling participant” provision for PBHPs required them to 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 was a business entity, the PBHP had to identify and provide the residential address for a natural person who exercised control over that entity.

The act 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 limits the definition of controlling participant to individuals, rather than both individuals and entities. The act extends this requirement to nonresident owners in addition to PBHPs.

Lastly, beginning on October 1, 2023, the act makes the reports given to a tax assessor under these identification requirements confidential and exempt from disclosure under the state's Freedom of Information Act (FOIA).

EFFECTIVE DATE: October 1, 2023

*Background — 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 receive a housing voucher must find housing that meets the program’s requirements. HUD funds the program and it is administered locally by Public Housing Agencies and statewide by DOH. State law defines PBHPs as property owners who contract with HUD to provide housing to tenants under the HCV program.

§ 17 — OPM OFFICE OF RESPONSIBLE GROWTH

*Statutorily establishes the Office of Responsible Growth within OPM and assigns it various responsibilities*

The act statutorily establishes the Office of Responsible Growth within the Office of Policy and Management’s (OPM) Intergovernmental Policy Division and makes it the successor agency to the office of the same name established by Executive Order No. 15 in 2006. It assigns the office the following responsibilities, for which OPM is generally responsible under existing law:

1. collecting, analyzing, and disseminating information to help the ongoing development of responsible growth goals for the governor, Continuing Committee on State Planning and Development, state and regional agencies, local governments, and the public;
2. coordinating the development of state agency policy, planning, and programming to improve outcomes and efficiently use state resources and expertise through developing and implementing the state plan of conservation and development;
3. administering OPM’s responsibilities under the Connecticut Environmental Policy Act;
4. facilitating interagency coordination relating to, among other things, land and water resources and infrastructure improvements;
5. facilitating coordination between the state, planning regions, and municipalities on development and conservation by serving as a state liaison to regional councils of governments;
6. providing staff support to boards, committees, and other groups, as the OPM secretary deems appropriate, such as the State Water Planning Council and Advisory Commission on Intergovernmental Relations;
7. administering grant programs as the OPM secretary deems appropriate, such as those for (a) responsible growth and transit-oriented development and (b) regional performance incentives; and
8. performing other duties as the OPM secretary deems appropriate to address current and emerging development and conservation issues.

The act requires the OPM secretary to designate a member of his staff to serve as the state responsible growth coordinator and oversee the office.

EFFECTIVE DATE: October 1, 2023

§ 18 — FAIR SHARE HOUSING ALLOCATION METHODOLOGY

*Requires OPM, by December 1, 2024, to create a methodology meeting certain requirements for each municipality's fair share allocation of affordable housing by generally (1) assessing the affordable housing need in each of the state's planning regions and (2) fairly allocating this need to each region's municipalities*

The act requires the OPM secretary, in consultation with the DOH commissioner and the Department of Economic and Community Development (DECD) commissioner, to establish a methodology for each municipality's fair share allocation by:

1. determining the need for affordable housing units in each of the state's planning regions and
2. fairly allocating this need to each region's municipalities considering the duty of the state and municipalities to affirmatively further fair housing under the state Zoning Enabling Act and the federal Fair Housing Act (FHA).

The OPM secretary must create the methodology by December 1, 2024. In doing so, he may consult with experts; advocates; statewide organizations representing municipalities; and organizations with expertise in affordable housing, fair housing, and planning and zoning. He must submit the methodology to (1) the Housing and Planning and Development committees and (2) each chamber of the General Assembly for approval.

EFFECTIVE DATE: July 1, 2023

*Fair Share Allocation Methodology*

The act requires the OPM secretary, by December 1, 2024, and in consultation with the DOH and DECD commissioners, to use the methodology to determine the minimum need for affordable housing units for each planning region and a municipal fair share allocation for each region's municipalities. The act prohibits allocations that exceed 20% of the municipality's occupied dwelling units.

The methodology must generally rely on data from HUD's Comprehensive Housing Affordability Strategy data set or a similar source chosen by the OPM secretary. The secretary must ensure that the methodology:

1. considers the duty of the state and municipalities to affirmatively further fair housing under the state Zoning Enabling Act and the FHA;
2. relies on appropriate metrics of the minimum need for affordable housing units in a planning region to ensure adequate housing options, including the number of households whose (a) income is no more than 30% of the area median income and (b) housing costs make up at least 50% of the household's income;
3. relies on appropriate factors for fairly allocating this need among each municipality, including a municipality's compliance with provisions in the Zoning Enabling Act and State Plan of Conservation and Development related to (a) promoting housing choice and economic diversity (including

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housing for both low- and moderate-income households) and (b) encouraging housing development that meets the identified housing needs and the development of housing opportunities (including those for multifamily housing) for all of the municipality's and planning region's residents;

4. does not assign a fair share allocation to municipalities in which the federal poverty rate is 20% or higher based on the most recent decennial census or a similar source; and
5. increases a municipality's fair share allocation under specified circumstances (see below).

Under the act, the methodology must increase a municipality's allocation if, relative to other municipalities in its planning region, it has a (1) higher equalized net grand list, (2) higher median income, (3) lower population share with income below the federal poverty rate, or (4) lower population share residing in multi-family housing. The equalized net grand list is an estimate of the market value of all taxable property in a municipality. Multi-family housing refers to residential buildings with at least three dwelling units.

Data related to increasing a fair share allocation must come from the most recent decennial census or a similar source, except for the equalized net grand list data, which must be based on OPM's calculations of these figures for educational equalization grants.

### *Affordable Housing Units and Planning Regions*

Under the act, (1) an "affordable housing unit" is a unit deed-restricted to preserve affordability for a low-income household and (2) a "planning region" generally follows the boundaries of a regional council of governments, except that the Metropolitan and Western planning regions are considered a single entity.

### § 19 — DOH PROGRAM TO INCENTIVIZE LANDLORD PARTICIPATION IN TENANT-BASED RENTAL ASSISTANCE PROGRAMS

*Requires the DOH commissioner, within available appropriations and in consultation with CHFA and housing authority representatives, to establish a program to incentivize landlord participation in various tenant-based rental assistance programs*

The act requires the DOH commissioner, within available appropriations and in consultation with CHFA and housing authority representatives that she selects, to establish a program to encourage and recruit landlords to accept from prospective tenants HCV vouchers, Rental Assistance Program (RAP) certificates, or payments from any other state-administered programs providing rental payment subsidies. The program may include advertisements, community outreach events, and communications with landlords participating in other state housing programs.

The act requires the DOH commissioner, starting by October 1, 2024, to report annually to the Housing Committee on (1) the program's status, including its effectiveness, and (2) related recommendations.

EFFECTIVE DATE: October 1, 2023

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### §§ 20 & 21 — DOH RAP STUDY AND PROGRAM EXPENDITURES

*Requires the DOH commissioner to (1) study, within available appropriations, ways to improve the efficiency of processing RAP applications and (2) affirmatively seek to spend all funds appropriated to the program annually*

The act requires the DOH commissioner, within available appropriations, to conduct a study on methods to improve the efficiency of processing applications under the department's RAP. The study must include the following components:

1. an analysis of the current RAP application processing time, including inspection timelines;
2. an assessment of the application process, including barriers or challenges to applicants or landlords; and
3. (a) recommendations for improving the process's efficiency, including using technology and alternative processing methods, and (b) a cost estimate for the improvements.

The commissioner must submit a report on the study's findings and recommendations to the Housing Committee by January 1, 2024.

Additionally, the act requires the commissioner to affirmatively seek to spend all funds appropriated to the program annually without regard to population limitation established in prior years.

EFFECTIVE DATE: Upon passage, except the appropriations provision is effective October 1, 2023.

### § 22 — HOMELESS AND HOUSING INSECURE VETERANS

*Requires the Department of Veterans Affairs, within available appropriations, to convert, rehabilitate, and renovate vacant, underused, or otherwise available properties for housing homeless or housing insecure veterans*

The act requires the Department of Veterans Affairs, within available appropriations, to convert, rehabilitate, and renovate vacant, underused, or otherwise available properties for housing homeless or housing insecure veterans. The department must build, improve, or remediate infrastructure as needed to support the residential use of these properties.

EFFECTIVE DATE: July 1, 2023

### § 23 — REMOVAL OF CERTAIN EVICTION RECORDS FROM THE JUDICIAL DEPARTMENT WEBSITE

*Requires the Judicial Department to remove records or identifying information on certain eviction proceedings from its website within a specified time period; prohibits the department from selling or transferring these removed records for commercial purposes, such as consumer reporting or tenant screening*

The act requires the Judicial Department to remove from its website any records or identifying information ("records") related to a summary process action (i.e.,

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eviction proceeding) that is withdrawn, dismissed or nonsuited, or decided in the defendant's (i.e., tenant's) favor. It must do this within 30 days after the action's disposition.

The act also prohibits the Judicial Department from including removed records in any sale or transfer of bulk case records to a person or entity purchasing them for commercial purposes (e.g., selling the records, providing consumer reporting- and prospective tenant screening-related services, or using them for any other financial gain). It expressly prohibits these commercial purchasers from disclosing a removed record. However, the act exempts from this ban governmental, scholarly, educational, journalistic, or other noncommercial use of the records.

The act requires the Judicial Department to restore a case to its website, including any associated records that were previously removed, if there is any activity in the case. Similarly, the department must retain records on its website beyond their removal date if there is an ongoing appeal. Under the act, restored or retained records remain on the Judicial Department's website until the later of (1) 30 days after the associated case's disposition or (2) the applicable time period from the original disposition.

Finally, the act specifies that its requirements do not prevent the Judicial Department or a case reporting service from publishing any formal written judicial opinion.

EFFECTIVE DATE: July 1, 2024, and applicable to any summary process action disposed of either before or after this date.

### §§ 24 & 25 — REAL ESTATE CONVEYANCE TAX EXEMPTIONS AND TRANSFERS

*Exempts conveyances of property with deed-restricted affordable housing dwelling units from the real estate conveyance tax; requires the state comptroller to transfer state conveyance tax revenue that exceeds \$300 million each fiscal year, annually adjusted for inflation, to the Housing Trust Fund*

#### *Conveyance Tax Exemption (§ 25)*

The act exempts from the real estate conveyance tax any deeds of property with dwelling units where all of the units are deed-restricted as affordable housing (i.e., housing where households earning no more than the host municipality's area median income, as determined by HUD, spend 30% or less of their annual income on it). For property in which only some of the units are deed-restricted affordable housing, the exemption must be proportionately reduced based on the number of unrestricted units.

#### *Transfer of Conveyance Tax Revenue to Housing Trust Fund (§ 24)*

Starting in FY 26, the act requires the state comptroller to transfer, from the General Fund to the Housing Trust Fund, any conveyance tax revenue the state receives each fiscal year exceeding \$300 million. It requires that the threshold amount for this transfer be adjusted annually for inflation beginning with FY 27



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(i.e., the percentage increase in the consumer price index for all urban consumers during the preceding calendar year, calculated on a December over December basis using U.S. Bureau of Labor Statistics data).

EFFECTIVE DATE: July 1, 2023, except the provisions on the transfer of conveyance tax revenue to the Housing Trust Fund are effective October 1, 2023.

### § 26 — HOUSING DISCRIMINATION BASED ON SEXUAL ORIENTATION

*Subjects the rental of certain owner-occupied dwelling units to a state law that prohibits housing discrimination specifically due to a person's sexual orientation or civil union status*

The act subjects the rental of certain owner-occupied dwelling units to a state law that prohibits housing discrimination specifically due to a person's sexual orientation or civil union status. Prior law exempted from these antidiscrimination provisions the rental of (1) rooms in a dwelling the owner lives in or (2) units in a dwelling containing up to four units, one of which the owner occupies (i.e., "owner-occupied units"). The act eliminates the exemption, and in doing so subjects such an owner who violates this anti-housing discrimination law to a class D misdemeanor (see [Table on Penalties](#)).

EFFECTIVE DATE: October 1, 2023

#### *Housing Discrimination*

State law prohibits housing discrimination based on a person's sexual orientation or civil union status and establishes a list of specific actions considered discriminatory practices. (A related law, the Discriminatory Housing Practices Act (DHPA), provides similar protection against housing discrimination based on other protected classes, such as race, marital status, or gender expression or identity.)

By eliminating prior law's exemption, the act makes it a discriminatory practice for an owner of an owner-occupied unit to do any of the following based on someone's sexual orientation or civil union status:

1. refuse to negotiate, sell, or rent after a legitimate offer;
2. discriminate in terms, conditions, or privileges of a sale, rental, or provision of services or facilities;
3. deny access to real estate multiple listing services;
4. place housing ads indicating a discriminatory preference; or
5. represent that the dwelling is not available for inspection, sale, or rental when it is in fact available.

#### *Commission on Human Rights and Opportunities (CHRO) Investigations*

Under existing law, unchanged by the act, individuals who believe they have been discriminated against in violation of the DHPA, or the similar protections against housing discrimination due to sexual orientation or civil union status, may file a complaint with CHRO within 180 days after the alleged incident. When CHRO finds reasonable cause that discrimination occurred, it negotiates a settlement agreement between the parties. If an agreement cannot be reached, it

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conducts an administrative hearing (CGS § 46a-82 et seq.).

### § 27 — SEWERAGE SYSTEM REGULATORY OVERSIGHT

*Transfers from DEEP to DPH regulatory authority over certain small community sewerage systems and household and small commercial subsurface sewerage disposal systems, requires the agencies to adopt regulations on them, and applies DEEP's newly adopted regulations to these systems beginning July 1, 2025*

The act transfers regulatory authority from the Department of Energy and Environmental Protection (DEEP) to the Department of Public Health (DPH) over:

1. small community sewerage systems with daily capacities of up to 10,000 gallons (community sewerage systems have one subsurface sewage disposal system serving at least two residential buildings) (CGS § 7-245(3)) and
2. household and small commercial subsurface sewerage disposal systems with daily capacities of up to 10,000 gallons (prior law gave DPH authority over those with daily capacities of up to 7,500 gallons only).

The act also requires (1) DEEP to amend its regulations, by July 1, 2025, to establish and define categories of discharges that constitute these systems and (2) DPH to establish minimum requirements for these systems, as well as procedures for local health directors or sanitarians to issue permits or other approvals. Existing law already required these regulations and minimum standards for household and small commercial subsurface sewerage disposal systems with daily capacities up to 7,500 gallons.

The act applies the DEEP regulations in effect on July 1, 2025 (i.e., the newly adopted regulations), to small community sewerage systems, household systems, and small commercial subsurface sewerage disposal systems with daily capacities of 10,000 gallons or less. Under existing law, unchanged by the act, DEEP's regulations in effect on July 1, 2017, apply to household and small commercial subsurface sewerage disposal systems with daily capacities of 7,500 gallons or less.  
EFFECTIVE DATE: Upon passage

### §§ 28-35 — WORKFORCE HOUSING DEVELOPMENTS

*Establishes various state and local financial incentives for individuals and businesses investing in and developing rental units set aside for designated workforce populations*

The act establishes various state and local financial incentives for individuals and businesses investing in and developing rental units set aside for designated workforce populations under certain programs. Specifically, the act does the following:

1. establishes a new tax credit against the personal income and corporation business taxes, administered by DOH, for individuals or entities making cash contributions to eligible developers constructing or rehabilitating eligible “workforce housing opportunity development projects” in federally designated opportunity zones (see *Background*) (§ 28);
2. expressly allows businesses making cash contributions to nonprofits

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- developing eligible “workforce housing development projects,” including those in an opportunity zone, to qualify for tax credits under CHFA’s Housing Tax Credit Contribution (HTCC) program (§ 30);
3. requires municipal tax assessors to assess workforce housing opportunity development projects using the capitalization of net income method based on actual rent received for property tax assessment purposes (§ 29);
  4. exempts both of these categories of workforce housing projects from building permit application fees (§ 31);
  5. allows municipalities to provide up to a seven-year, 70% property tax exemption for workforce housing development projects, offset by a 70% state grant in lieu of taxes (§§ 32 & 33);
  6. requires CHFA to develop and administer a mortgage assistance program for developers of both categories of these projects (§ 34); and
  7. requires DOH to conduct a workforce housing study and report to the Housing Committee (§ 35).

EFFECTIVE DATE: June 1, 2024, except for the DOH workforce housing study provision, which is effective upon passage; the property tax assessment requirements and local option exemption are applicable to assessment years beginning on or after June 1, 2024.

### *Workforce Housing Opportunity Development Tax Credit (§ 28)*

*Administration.* The act requires DOH to administer a new program providing tax credit vouchers to individuals or entities making cash contributions to eligible developers constructing or rehabilitating eligible housing projects in opportunity zones. The department must begin accepting applications from eligible developers by January 1, 2025. Under the act, the DOH commissioner must (1) determine the program’s additional eligibility criteria, certification conditions, and application guidelines and (2) adopt regulations to implement the program, including conditions for certifying developers.

*Eligible Projects.* Under the act, an eligible workforce housing opportunity development project is a project to build or substantially rehabilitate rental housing that is (1) located in an opportunity zone in the state and (2) partially designated for certain targeted residents (see “*Rental Requirements*”). To the extent feasible, these projects must also incorporate renewable energy and be transit-oriented.

For rehabilitation projects, the act requires that (1) a building’s repairs, replacements, or improvements exceed 25% of the building’s value when rehabilitation is complete or (2) the project replace two or more major components of the building (i.e., roof structures, wall or floor structures, plumbing systems, heating and air conditioning systems, electrical systems, ceilings, or foundations).

*Eligible Developers.* The act authorizes developers to apply to DOH, as the commissioner prescribes, to be certified to receive credit-eligible cash investments under the program. Under the act, the following entities may qualify as eligible developers:

1. nonprofits and business corporations incorporated in Connecticut and other business entities (i.e., partnerships, limited partnerships, limited liability

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partnerships, joint ventures, trusts, limited liability companies (LLCs), or associations) that (a) construct, rehabilitate, own, or operate housing and (b) are either certified by DOH under the program or whose articles of incorporation or organizational documents, as applicable, have been approved by DOH under its regulations for certain housing programs;

2. municipal housing authorities (and the Connecticut Housing Authority, although it is no longer active); and
3. municipal developers.

Under the act, a “municipal developer” is the legislative body of a municipality that has not established a housing authority; it may be the municipality’s board of selectmen if the town meeting or representative town meeting authorized the board to act as a developer.

*Rental Requirements.* The act requires that completed workforce housing opportunity development projects be rented as follows:

1. 40% of the units at market rate (i.e., the rate the property would most probably command on the open market based on current comparable rentals in the opportunity zone);
2. 50% of the units to members of a designated workforce population with an income of up to 60% of the area median income (as described below); and
3. 10% of the units to very low-income households (i.e., those whose income is 30% or less of the area median income) that also receive rental assistance through certain state programs or HUD’s federal section 8 program.

Under the act, the program must establish a method for selecting tenants who meet the income criteria that does not discriminate on the basis of race, creed, color, national origin, ancestry, sex, gender identity or expression, age, or physical or intellectual disability.

*Designation of Workforce Population.* The act requires that eligible developers receive approval for proposed workforce housing opportunity development projects from municipal zoning commissions and other applicable municipal agencies. The municipal legislative body (or board of selectmen if its legislative body is a town meeting) may vote to designate the workforce population the project will serve within 30 days after the municipality approves the project. But developers may make this designation if the municipality fails to do so within the given time limit. Under the act, the designated workforce population may include volunteer firefighters, teachers, police officers, emergency medical personnel, and any other professions working in the town where the project is located.

*Timeframe for Completion.* The act requires eligible developers to (1) schedule the workforce housing opportunity development projects for completion within three years after DOH’s project approval and (2) submit quarterly progress reports and a final report to the DOH commissioner. If a project is not completed within the three-year timeframe, or at any time if the DOH commissioner determines that it is unlikely to be completed, the act allows the commissioner to ask the attorney general to reclaim any remaining contributions made by individuals and entities to the developer and reallocate the funds to another eligible project.

*Tax Credits for Qualifying Contributions.* The act requires the DOH commissioner to administer the tax credit vouchers, similar to CHFA’s existing

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HTCC program, for individuals or entities that make a cash contribution of at least \$250 to an eligible developer for the eligible projects described above. The vouchers may be claimed against state corporation business and personal income taxes, except for the withholding tax, for taxable income years beginning in 2025 (presumably, for tax years or income years beginning in 2025). The Department of Revenue Services must grant the credits in the amount specified by DOH in the tax credit vouchers.

The act caps the total amount of credits allowed per fiscal year at \$5 million. Taxpayers may claim the credits in the taxable income year in which they made the cash contribution and may carry unused credits forward or back for five years. In the case of S corporations or entities treated as a partnership for federal tax purposes, the entity's shareholders or partners may claim the credits. If the entity is a single-member LLC that is disregarded as an entity separate from its owner, only the owner may claim the credit.

### *CHFA HTCC Program (§ 30)*

The act expressly makes investments in “workforce housing development projects” eligible for HTCC tax credits. Under this program, CHFA administers tax credit vouchers for businesses that make cash contributions of at least \$250 to nonprofits that develop, sponsor, or manage housing programs benefiting low- and moderate-income households (e.g., affordable housing developments). The credits apply against various business taxes, including the insurance premiums, corporation business, and utility companies taxes.

Under the act, “workforce housing development projects” are generally similar to the workforce housing opportunity projects described above, except that they are not limited to opportunity zones and are subject to different set-aside requirements. Starting with tax or income years beginning on or after January 1, 2024, workforce housing development projects must be scheduled for completion within three years after approval.

Specifically, workforce housing development projects are to construct or substantially rehabilitate rental housing where:

1. 50% of the units are market rate units (i.e., the rate the unit would probably command on the open market based on comparable units in the same area);
2. 40% are rented to the workforce population designated by the developer in consultation with the host municipality; and
3. 10% are affordable housing (i.e., when households earning no more than the host municipality's area median income, as determined by HUD, spend 30% or less of their annual income on it).

Under the act, “substantial rehabilitation” has the same definition as described above for workforce housing opportunity development projects. An eligible “workforce housing opportunity development” project is also considered an eligible “workforce housing development” project.

The law, unchanged by the act, caps the total amount of tax credits allowed to businesses under the program at \$10 million per fiscal year, and \$1 million of these credits must be set aside each year for workforce housing as defined in CHFA's

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written procedures (i.e., affordable housing for low- and moderate-income wage or salaried workers in the municipalities where they work). The act also makes various conforming changes to the HTCC program.

### *Property Tax Assessment for Workforce Housing Opportunity Development Projects (§ 29)*

The act requires assessors to determine the value of workforce housing opportunity development projects for property tax purposes by using the capitalization of net income method based on actual rent received. This means assessors must consider net rental income, rather than market rent for similar property, when determining the project's gross potential income.

Under existing law and unchanged by the act, assessors must consider three methods when assessing the fair market value of other rental properties (with certain exceptions):

1. replacement cost less depreciation, plus the land's market value;
2. capitalization of net income based on market rent for similar property; and
3. comparable sales.

### *Building Permit Fee Exemption (§ 31)*

The act exempts both categories of workforce housing development projects from all building permit application fees. In doing so, it supersedes any municipal charters, home rule ordinances, and special acts.

### *Local Option Property Tax Exemption and State Reimbursement (§§ 32 & 33)*

The act allows a municipality's legislative body (or board of selectmen if the legislative body is a town meeting) to provide up to a seven-year, 70% property tax exemption to the workforce housing development projects eligible for the HTCC credit. Under the act, the property tax exemption may begin in the first full assessment year after the project's construction or rehabilitation is complete.

Additionally, the act requires the Office of Policy and Management (OPM) secretary, beginning in FY 26, to pay a state grant in lieu of taxes (PILOT) to municipalities that (1) provide this local option exemption and (2) submit an annual grant application to OPM as the secretary prescribes. OPM must determine the amount due to these municipalities annually by January 1.

Under the act, the PILOT equals 70% of the property taxes that would have been paid for the assessment year two years before the fiscal year in which the grant is paid (excluding exemptions for certain housing authority properties). The grants are payable for a maximum of seven assessment years and must be proportionately reduced if the total of all grants in a fiscal year exceeds state appropriations for the grants.

### *CHFA Mortgage Assistance Program (§ 34)*

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The act requires CHFA to (1) develop and administer a mortgage assistance program for developers of both categories of workforce housing projects under the act and (2) use any appropriate housing subsidies in providing this mortgage assistance.

### *DOH Workforce Housing Study (§ 35)*

The act requires DOH, within available appropriations, to study ways to (1) increase housing options for apprentices and newly hired employees and (2) enable this population to live in the municipalities where they work. The DOH commissioner must submit a report to the Housing Committee, including recommendations and legislation necessary for implementation, by January 1, 2024.

### *Background*

*Opportunity Zones.* The federal Opportunity Zone program, created as part of the 2017 federal Tax Cuts and Jobs Act (P.L. 115-97), is designed to spur economic development and job creation in distressed communities by providing federal tax benefits for private investments in the zones. The program's tax benefits are available to investors that reinvest gains earned on prior investments in a qualified opportunity zone fund that invests in zone businesses. Investors may receive additional tax benefits if they hold their investments in the fund for at least five, seven, or 10 years.

Connecticut has 72 opportunity zones in 27 municipalities that were approved by the U.S. Treasury Department in 2018.

*Related Act.* The 2023 bond act (PA 23-205, § 56) (1) authorizes up to an additional \$400 million in state general obligation (GO) bonds to capitalize the Housing Trust Fund (\$200 million each in FYs 24 and 25) and (2) requires DOH to give CHFA up to \$200 million of this funding to administer a revolving loan fund to finance workforce housing projects.

## § 36 — AFFORDABLE HOUSING ROUNDTABLE GROUP

*Establishes the majority leaders' roundtable group on affordable housing, consisting of 24 members, to study various topics related to promoting and developing affordable housing in the state*

The act establishes the majority leaders' roundtable group on affordable housing and requires it to study the following topics:

1. existing affordable housing policies, programs, and initiatives in the state;
2. the possibility of converting (a) state properties into affordable housing developments and (b) commercial properties (e.g., hotels, malls, and office buildings) into residential buildings;
3. successful models and best practices from other states or regions to inform potential policy recommendations; and
4. any other topics related to promoting and developing affordable housing in

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the state.

*Membership, Administration, and Reporting*

Under the act, the 24-member roundtable group consists of the following:

1. the co-chairs and ranking members of the Housing and Planning and Development committees;
2. the Senate and House majority leaders;
3. three appointees of each leader (see table below);
4. the commissioners of the Department of Administrative Services, DOH, Department of Economic and Community Development, and the Department of Transportation, or their designees;
5. OPM’s responsible growth coordinator, or the coordinator’s designee;
6. CHFA’s executive director, or her designee; and
7. one representative each from the Connecticut Conference of Municipalities and the Connecticut Council of Small Towns.

The table below shows the criteria for each majority leader appointee. Under the act, the House majority leader’s appointees may be legislators.

**Affordable Housing Roundtable Group Appointees**

<i>House Majority Leader</i>	<i>Senate Majority Leader</i>
Public housing expert	Regional planning expert
Representative of a regional council of governments	Local planning and zoning expert
Representative of a business advocacy organization or regional chamber of commerce	Housing development expert

The Senate and House majority leaders serve as the group’s chairpersons and must schedule and hold its first meeting by August 28, 2023. They must (1) make their initial appointments to the group by July 29, 2023, and (2) fill any vacancies.

Beginning by January 1, 2024, the group must annually report its findings and recommendations to the Housing Committee. Under the act, the Housing Committee’s administrative staff serves as the group’s administrative staff.

EFFECTIVE DATE: Upon passage

**§ 37 — HOUSING TRUST FUND PROGRAM ADVISORY COMMITTEE**

*Eliminates the Housing Trust Fund Program Advisory Committee*

The act eliminates the Housing Trust Fund Program Advisory Committee. Prior law required the committee to meet at least semi-annually and advise the DOH commissioner on (1) the program’s administration, management, and objectives and (2) developing related regulations, procedures, and rating criteria. (Existing DOH program regulations include requirements for, among other things, the program’s project selection process and rating criteria (see Conn. Agencies Regs.,



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§ 8-336q).) The DOH commissioner appointed the committee in consultation with the state treasurer and the OPM secretary.

DOH administers the Housing Trust Fund Program, which is designed to create and preserve affordable housing for low- and moderate-income households. The department awards loans and grants to eligible sponsors of affordable housing. It solicits applications twice per year, within available appropriations.

EFFECTIVE DATE: October 1, 2023

### §§ 38 & 39 — SECURITY DEPOSIT RETURNS

*Generally shortens the deadline for landlords to return a tenant's security deposit and interest on deposits*

The act generally shortens the deadline for landlords to return a tenant's security deposit and interest on deposits under certain circumstances.

Under prior law, after a tenancy was terminated, landlords had to return a tenant's security deposit, or the deposit balance if any, plus accrued interest, within the greater of (1) 30 days or (2) 15 days after receiving written notification of the tenant's forwarding address. The act reduces the 30-day deadline to 21 days. Under existing law and unchanged by the act, any landlord that violates this requirement is liable for twice the security deposit amount (or, if the landlord fails only to deliver the accrued interest, the greater of twice the accrued interest or \$10).

The act also makes a similar change to a statutory provision requiring landlords to pay interest annually on tenants' security deposits. Under prior law, a landlord had to pay their tenant the accrued interest within 30 days after (1) the tenancy terminated before its anniversary date or (2) he or she returned all or part of a security deposit before the tenancy's anniversary date. The act reduces this deadline to 21 days.

By law, any landlord who knowingly and willfully fails to pay all or part of a security deposit when due is subject to a fine of up to \$250 for each offense, or \$100 per offense for failing to pay accrued interest (CGS § 47a-21(k)).

EFFECTIVE DATE: October 1, 2023

### §§ 40 & 41 — PUBLISHING PAYMENT STANDARDS FOR TENANT-BASED RENTAL ASSISTANCE AND DOH COMMON RENTAL APPLICATION FOR HOUSING AUTHORITIES

*Requires (1) any housing authority that administers a tenant-based rental assistance program to publicly post a payment standard (or similar information) within 30 days after setting or updating it and (2) the housing commissioner to develop a common rental application that housing authorities may use*

The act requires any housing authority that administers a tenant-based rental assistance program (see *Background — Tenant-Based Rental Assistance and Payment Standards*) to publicly post a payment standard (or similar maximum monthly assistance payment) within 30 days after setting or updating it. Under the act and federal HUD regulations, a "payment standard" is the maximum monthly

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assistance payment for a family in the voucher program before deducting the total tenant payment by the family (24 C.F.R. § 982.4).

The act requires a housing authority to post the payment standard in a prominent and publicly available location on its website or the website of the municipality in which it is located. The posting must include (1) a disclaimer that the maximum payment standard may not be applied in full to the actual rental rate the applicant paid in certain circumstances and (2) any rules or regulations the authority has adopted on rental assistance programs.

The act also requires the housing commissioner, in consultation with the state's housing authorities, to develop a common rental application that housing authorities may use.

EFFECTIVE DATE: October 1, 2023

### *Background — Tenant-Based Rental Assistance and Payment Standards*

Tenant-based rental assistance is generally rental subsidies to help low-income households rent privately owned homes that meet certain guidelines. HUD's Housing Choice Voucher Program (42 U.S.C. § 1437f(o)) and the state Rental Assistance Program (CGS § 8-345) are two examples of programs that offer this type of assistance.

### § 42 — SCHOOL BUILDING PROJECT REIMBURSEMENT RATE

*Makes boards of education in an “inclusive municipality” eligible for a five-percentage point increase to their state grant reimbursement rate for school building projects*

The act makes local or regional boards of education located in an “inclusive municipality,” as determined by the DOH commissioner, eligible for a five-percentage point increase to their state grant reimbursement rate for school building projects. (The act does not specify when or how frequently DOH must make this determination.) To qualify as an inclusive municipality, a municipality must have:

1. a total population greater than 6,000 (generally based on the more recent of the U.S. Census Bureau's (a) newest decennial census or (b) current population report series available on January 1 of the fiscal year two years before the fiscal year in which the grant will be paid);
2. a share of affordable housing units that is less than 10% of its total housing, as determined by the DOH commissioner;
3. adopted, and currently maintain, zoning regulations that (a) promote fair housing, as determined by the commissioner; (b) provide a streamlined approval process for multi-family housing development of three units or more; (c) permit mixed-use development; and (d) allow accessory dwelling units; and
4. built new affordable housing units that (a) are deed-restricted to households whose income is 80% or less of the state median income and (b) equal at least 1% of the municipality's total housing units in the three years immediately before the municipality's grant application.

EFFECTIVE DATE: October 1, 2023

§ 43 — DOH TEMPORARY HOUSING PILOT PROGRAM

*Requires DOH, within available appropriations, to establish a pilot program to provide temporary housing to individuals experiencing homelessness and veterans who need respite care*

The act requires DOH, within available appropriations, to establish a pilot program to provide temporary housing to individuals experiencing homelessness and veterans who need respite care. Under the act, the program must (1) be implemented in at least three municipalities with populations of 75,000 or more and (2) provide at least 20 housing units for eligible individuals needing respite care due to injury or illness. The act requires the DOH commissioner to establish program eligibility criteria and allows the department to contract with nonprofit organizations to administer it.

The act terminates the pilot program on January 1, 2025, by which time DOH must report on the program to the Housing Committee.

EFFECTIVE DATE: October 1, 2023