



General Assembly

January Session, 2023

**Substitute Bill No. 6708**



**AN ACT CONCERNING THE SECURITY DEPOSIT GUARANTEE PROGRAM.**

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

1 Section 1. Section 8-339 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2023*):

3 (a) The Commissioner of Housing shall establish, within available  
4 appropriations, and administer a security deposit guarantee program  
5 for [persons who (1) (A) are recipients of temporary family assistance,  
6 aid under the state supplement program, or state-administered general  
7 assistance, or (B) have a documented showing of financial need, and  
8 (2) (A) are residing in emergency shelters or other emergency housing,  
9 cannot remain in permanent housing due to any reason specified in  
10 subsection (a) of section 17b-808, or are] (1) any individual or family  
11 whose income is eighty per cent or less of the median income of the  
12 state, adjusted for family size, as determined by the United States  
13 Department of Housing and Urban Development, (2) any individual  
14 who is served a writ, summons and complaint in a summary process  
15 action instituted pursuant to chapter 832, or [(B) have] (3) any  
16 individual who receives a certificate or voucher from a rental  
17 assistance program or federal [Section 8] Housing Choice Voucher  
18 program. Under the security deposit guarantee program, the  
19 [Commissioner of Housing] commissioner may provide security  
20 deposit guarantees for use by [such] persons who are eligible pursuant

21 to this subsection in lieu of a security deposit on a rental dwelling unit.  
22 Eligible persons may receive a security deposit guarantee in an amount  
23 not to exceed the equivalent of [two] one and one-half months' rent on  
24 such rental unit. No person may apply for and receive a security  
25 deposit guarantee more than once in any [eighteen-month] twenty-  
26 four-month period without the express authorization of the  
27 [Commissioner of Housing] commissioner, except as provided in  
28 subsection (b) of this section. The [Commissioner of Housing]  
29 commissioner may deny eligibility for the [security deposit guarantee]  
30 program to an applicant for whom the commissioner has paid [two]  
31 one or more claims by landlords. The [Commissioner of Housing]  
32 commissioner shall prioritize the provision of security deposit  
33 guarantees to eligible veterans and may establish priorities for  
34 providing security deposit guarantees to other eligible persons  
35 described in [subparagraphs (A) and (B) of subdivision (2)]  
36 subdivisions (1) to (3), inclusive, of this subsection in order to  
37 administer the program within available appropriations.

38 (b) In the case of any person who qualifies for a guarantee, the  
39 [Commissioner of Housing] commissioner, or any local or regional  
40 nonprofit corporation or social service organization under contract  
41 with the Department of Housing to assist in the administration of the  
42 [security deposit guarantee] program established pursuant to  
43 subsection (a) of this section, may execute a written agreement to pay  
44 the landlord for any damages suffered by the landlord due to the  
45 tenant's failure to comply with such tenant's obligations, as defined in  
46 section 47a-21, provided the amount of any such payment shall not  
47 exceed the amount of the requested security deposit. Notwithstanding  
48 the provisions of subsection (a) of this section, if a person who has  
49 previously received a grant for a security deposit or a security deposit  
50 guarantee becomes eligible for a subsequent security deposit guarantee  
51 [within eighteen] not later than twenty-four months after a claim has  
52 been paid on a prior security deposit guarantee, such person may  
53 receive a security deposit guarantee. The amount of the subsequent  
54 security deposit guarantee for which such person would otherwise

55 have been eligible shall be reduced by (1) any amount of a previous  
56 grant which has not been returned to the department pursuant to  
57 section 47a-21, or (2) the amount of any payment made to the landlord  
58 for damages pursuant to this subsection.

59 (c) Any payment made pursuant to this section to any person  
60 receiving temporary family assistance, aid under the state supplement  
61 program or state-administered general assistance shall not be deducted  
62 from the amount of assistance to which the recipient would otherwise  
63 be entitled.

64 (d) On and after July 1, 2000, no special need or special benefit  
65 payments shall be made by the commissioner for security deposits  
66 from the temporary family assistance, state supplement, or state-  
67 administered general assistance programs.

68 (e) The [Commissioner of Housing] commissioner may, within  
69 available appropriations, on a case-by-case basis, provide a security  
70 deposit grant to a person eligible for the [security deposit guarantee]  
71 program established under subsection (a) of this section, in an amount  
72 not to exceed the equivalent of one month's rent on such rental unit,  
73 provided the commissioner determines that emergency circumstances  
74 exist which threaten the health, safety or welfare of a child who resides  
75 with such person. Such person shall not be eligible for more than one  
76 such grant without the authorization of said commissioner. Nothing in  
77 this section shall preclude the approval of such one-month security  
78 deposit grant in conjunction with a one-month security deposit  
79 guarantee.

80 (f) The [Commissioner of Housing] commissioner may provide a  
81 security deposit grant to a person receiving such grant through any  
82 local or regional nonprofit corporation or social service organization  
83 under an existing contract with the Department of Housing to assist in  
84 the administration of the security deposit program. [, but in no event  
85 shall a payment be authorized after October 1, 2000.] Nothing in this  
86 section shall preclude the commissioner from entering into a contract

87 with one or more local or regional nonprofit corporations or social  
 88 service organizations for the purpose of issuing security deposit  
 89 guarantees.

90 (g) A landlord may submit a claim for damages not later than [forty-  
 91 five] twenty days after the date of termination of the tenancy. Payment  
 92 shall be made only for a claim that includes receipts for repairs made.  
 93 No claim shall be paid for an apartment from which a tenant vacated  
 94 because substandard conditions made the apartment uninhabitable, as  
 95 determined by a local, state or federal regulatory agency.

96 (h) Any person with income exceeding one hundred fifty per cent of  
 97 the federal poverty level, who is found eligible to receive a security  
 98 deposit guarantee under this section and for whom the commissioner  
 99 has paid a claim by a landlord, shall contribute [five] fifty per cent of  
 100 one month's rent to the payment of the security deposit. The  
 101 commissioner may waive such payment for good cause.

102 (i) The [Commissioner of Housing] commissioner shall adopt  
 103 regulations, in accordance with the provisions of chapter 54, to  
 104 administer the program established pursuant to this section and to set  
 105 eligibility criteria for the program, but may implement the program  
 106 while in the process of adopting such regulations provided notice of  
 107 intent to adopt the regulations is published [in the Connecticut Law  
 108 Journal within ] on the eRegulations System not later than twenty days  
 109 after implementation.

110 Sec. 2. (*Effective July 1, 2023*) The sum of ten million dollars is  
 111 appropriated to the Department of Housing from the General Fund,  
 112 for the fiscal year ending June 30, 2024, for the administration of the  
 113 security deposit guarantee program.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2023</i>	8-339
Sec. 2	<i>July 1, 2023</i>	New section

**Statement of Legislative Commissioners:**

In Section 1(a), "not greater than" was changed to "or less" for clarity and in Section 1(b) and 1(i), "within" was changed to "not later than" for clarity.

**HSG**      *Joint Favorable Subst. -LCO*