



General Assembly

January Session, 2023

Raised Bill No. 6784

LCO No. 4512



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING NONCOMPLIANT LANDLORDS.

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

1 Section 1. (NEW) (*Effective October 1, 2023*) (a) As used in this section:

2 (1) "Landlord" means any owner, lessor or sublessor of any rental
3 housing property development in this state;

4 (2) "Receiver" means any person or entity appointed by any court in
5 this state, subject to such court's direction, to take possession of and
6 manage any rental housing property development; and

7 (3) "Rental housing property development" means any privately
8 owned multifamily dwelling in this state consisting of not less than five
9 hundred units.

10 (b) In addition to other remedies available to any tenant under title
11 47a of the general statutes, any tenant of a rental housing property
12 development who claims that the landlord or owner of such rental
13 housing property development has failed to comply with any state or
14 local health or fire code may deliver a written notice to the applicable

15 local code enforcement officer specifying the acts or omissions
16 constituting any state or local health or fire code violation.

17 (c) Such local code enforcement officer shall review each claimed
18 violation of any state or local health or fire code submitted pursuant to
19 subsection (b) of this section. Upon receipt of not less than twelve
20 claimed violations in any one calendar year submitted by tenants of the
21 same rental housing property development, such local code
22 enforcement officer may report such rental housing property
23 development to the Attorney General who may submit an application
24 for a private receivership in the superior court for the judicial district in
25 which the rental housing property development is located.

26 (d) The Attorney General may bring an action on behalf of tenants
27 occupying any rental housing property development in accordance
28 with the provisions of subsection (c) of this section, alleging under oath
29 the existence of housing or fire code violations. The complaint shall set
30 forth the address of the rental housing property development and a
31 description of the conditions alleged to be hazardous to life, health and
32 safety. Such action shall be brought in the superior court for the judicial
33 district in which the premises are located in the same manner as in a
34 civil process naming all landlords and owners of record as defendants.
35 There shall be no entry fee for such action. The Attorney General shall
36 cause a notice of the pendency of such action to be filed in the land
37 records of the town in which such premises are located.

38 (e) The Superior Court may refer any complaint filed in accordance
39 with the provisions of subsections (c) and (d) of this section to a referee
40 who shall hold a hearing thereon, except if the complaint alleges that
41 there is an imminent danger to the life, health and safety of the tenants,
42 the court shall issue an immediate ex parte order granting such relief as
43 the court deems appropriate, pending a full hearing to be held not later
44 than three days after such order is issued. Any retired judge of the
45 Superior Court shall be eligible to act as a referee. The referee shall take
46 such testimony as such referee deems material, view the rental housing
47 property development and, after the hearing, report such referee's

48 findings and recommendations to the court. The court shall review such
49 report and enter judgment. Such report may be rejected for irregular or
50 improper conduct in the performance of the duties of such referee, in
51 which event the court shall appoint another referee to make a report.
52 There shall be no right to a jury trial in any of the proceedings.

53 (f) It shall be a sufficient defense to a proceeding under this section
54 for the landlord or owner to establish that such condition or conditions:
55 (1) Alleged in the petition did not in fact exist; (2) have been removed or
56 remedied; or (3) have been caused by any tenant residing at such rental
57 housing property development.

58 (g) If the court finds that the Attorney General has failed to establish
59 the allegations of the complaint or that the landlord or owner
60 affirmatively established any defense specified in subsection (f) of this
61 section, the court shall render a judgment dismissing the complaint.

62 (h) If the court finds that the Attorney General has proved the
63 allegations of the complaint and that no defense as specified in
64 subsection (f) of this section has been affirmatively established by the
65 landlord or owner, the court shall render a judgment directing that: (1)
66 The rents due on the date of entry of such judgment and rents to become
67 due subsequent thereto from all tenants occupying such property be
68 deposited with a private receiver appointed by the court; (2) the receiver
69 apply such rents and, to the extent necessary, remedy the condition or
70 conditions alleged in the petition; (3) when such condition or conditions
71 have been remedied in accordance with the judgment, any remaining
72 surplus be turned over to the landlord or owner, together with a
73 complete accounting of the rents deposited and the costs incurred; and
74 (4) granting such other and further relief as the court may deem just and
75 proper. A certified copy of the judgment shall be served upon the
76 Attorney General and each tenant occupying such rental housing
77 property development by registered mail. Any receiver appointed
78 pursuant to this subsection may charge such owner or landlord of such
79 rental housing property development a fee that shall not exceed ten per
80 cent of the total monthly rental income of such rental housing property

81 development to carry out the requirements set forth in this section.

82 (i) The right of the landlord or owner of such rental housing property
83 development to collect such rent from any tenant on or after the date of
84 entry of a judgment as provided in subsection (h) of this section shall be
85 void and unenforceable to the extent that such tenants have deposited
86 such rent with a private receiver in accordance with the terms of the
87 judgment rendered under subsection (h) of this section, regardless of
88 whether such right of the landlord or owner arises from a lease, deed,
89 contract, agreement or understanding, or otherwise. It shall be a valid
90 defense in any action or proceeding against such tenants to recover
91 possession of real property for nonpayment of rent or for use or
92 occupation to prove that such rent alleged to be unpaid was deposited
93 with a private receiver in accordance with the terms of a judgment
94 entered under subsection (h) of this section.

95 (j) If the court finds that the facts alleged in the complaint have been
96 affirmatively established, that no defense thereto specified in subsection
97 (f) of this section has been affirmatively established by the landlord or
98 owner and that the facts alleged in the complaint warrant the granting
99 of the relief sought, the court, in lieu of rendering judgment, may issue
100 an order permitting the landlord or owner to remove or remedy the
101 conditions in the complaint found to exist if such landlord or owner (1)
102 demonstrates the ability to undertake the work required, and (2) posts
103 security for the performance of such work required within the time and
104 in the manner and amount deemed necessary by the court.

105 (k) If, after the issuance of an order issued pursuant to subsection (j)
106 of this section, the Attorney General, upon investigation, determines
107 that such person permitted to perform the work is not proceeding with
108 due diligence, the Attorney General shall apply to the court for a hearing
109 to determine whether judgment should be rendered immediately as
110 provided in subsection (l) of this section.

111 (l) If, upon a hearing authorized under subsection (k) of this section,
112 the court determines that the person permitted to perform such work is

113 not proceeding with due diligence, the court shall render a judgment
114 appointing a receiver as authorized in subsection (h) of this section. The
115 judgment shall direct such receiver to apply the security posted by such
116 person to remove or remedy any condition specified in the petition. If
117 the amount of such security is insufficient for such purpose, the
118 judgment shall direct the deposit of rents with such receiver as
119 authorized in subsection (h) of this section to the extent of such
120 deficiency. If such security exceeds the amount required to remove or
121 remedy such condition or conditions, the judgment shall direct such
122 receiver to file with the court, upon completion of the work, a full
123 accounting of the amount of such security and the expenditures made
124 pursuant to such judgment, and to turn over such surplus to the owner
125 or landlord who posted security, together with a copy of such
126 accounting.

127 (m) Any such receiver shall be discharged upon rendering a complete
128 accounting to the court when (1) such condition has been removed, (2)
129 the costs authorized by subsections (a) to (l), inclusive, of this section
130 have been paid or reimbursed from the rents and income of the
131 property, and (3) the surplus money, if any, has been paid over to the
132 landlord or owner as the court may direct. The receiver may be
133 discharged at any time upon filing such receiver's accounting as
134 receiver. Upon the removal of such condition, the landlord or owner
135 may apply for the discharge of the receiver upon payment to such
136 receiver of all moneys expended by the receiver for removal of such
137 condition and all other costs authorized by this section that have not
138 been paid or reimbursed from the rents and income of the property.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2023	New section
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Statement of Purpose:

To establish a process for the appointment of private receiverships to oversee rental housing property developments where landlords or owners fail to comply with state and local health and fire codes.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]