



CONNECTICUT
Department of Housing

2019 Connecticut Legislative
Session Report

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Public Act 19-168:

AN ACT CONCERNING PUBLIC HOUSING

Effective: October 1, 2019

A new law authorizes municipalities to require project-based housing providers (PBHPs) to file their residential addresses with the municipality. (PBHPs are property owners who contract with the U.S. Department of Housing and Urban Development to rent some or all of the units in their housing development to low income individuals and families.) Prior law already gave municipalities this authority concerning nonresident rental property owners (landlords). Municipalities may use the addresses to maintain properties and compliance with state and local codes. The new law (1) increases, from \$250 to \$500, the maximum civil penalty that municipalities may impose on nonresident rental property owners for a first failure to file violation; (2) leaves the maximum penalty for subsequent violations unchanged at \$1,000; and (3) subjects PBHPs to these same penalties for failure to file.

Public Act 19-175:

AN ACT CONCERNING THE CREATION OF LAND BANK AUTHORITIES

Effective: Upon Passage

A new law establishes a framework for municipalities, on their own or with other municipalities, to create nonprofit land bank authorities in order to acquire, maintain, and dispose of real property, other than brownfields. It requires that each authority be governed by a board of directors and gives the board various powers, including the power to borrow money, issue revenue bonds, and develop and acquire property, but not by eminent domain. The new law exempts from state and local taxes, any real property or interest in real property an authority holds, as well as any income it derives from it. For any property an authority conveys, 50% of the taxes collected on it by the municipality must be remitted to the authority in the following five years

Public Act 19-117:

**AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING
JUNE 30, 2021, AND MAKING APPROPRIATIONS THEREFOR, AND PROVISIONS
RELATED TO REVENUE AND OTHER ITEMS TO IMPLEMENT THE STATE
BUDGET**

Effective: July 1, 2019

Section 1: The following sums are appropriated from the GENERAL FUND for the annual periods indicated for the purposes described

| DEPARTMENT OF HOUSING | | 2019-2020 Allocation | 2020-2021 Allocation |
|-----------------------|--|---------------------------------|---------------------------------|
| | Personal Services | 1,877,176 | 1,953,445 |
| | Other Expenses | 164,893 | 164,893 |
| | Elderly Rental Registry and Counselors | 1,014,722 | 1,014,722 |
| | Homeless Youth | 2,292,929 | 2,292,929 |
| | Subsidized Assisted Living Demonstration | 2,612,000 | 2,678,000 |
| | Congregate Facilities Operation Costs | 7,189,480 | 7,189,480 |
| | Elderly Congregate Rent Subsidy | 1,942,424 | 1,942,424 |
| | Housing/Homeless Services | 80,388,870 | 85,779,130 |
| | Housing/Homeless Services - Municipality | 575,226 | 575,226 |
| | AGENCY TOTAL: | 98,057,720 | 103,590,249 |
| | | | |

| | | | |
|--|-------------------------------|-----------|-----------|
| Department Of Housing (Banking Fund) | Fair Housing | 670,000 | 670,000 |
| Judicial Department (Banking Fund) | Foreclosure Mediation Program | 1,879,000 | 2,005,000 |
| Department of Housing (Insurance Fund) | Crumbling Foundations | 146,000 | 156,000 |

Section 37 – DOH & DCF Reporting Requirements

Requires the Department of Housing, in collaboration with Department of Children and Families to submit a report to the Appropriations Committee, in accordance with 11-4a of the general statutes. The report must include the details for the immediately preceding fiscal year on or before December 15, 2019, and on or before December 15, 2020 : (1) the number of Department of Children and Families-involved families who were accepted into the Department of Housing's rental assistance program from the program's waitlist, (2) the services provided to such families as part of the program, (3) the average cost of such services per family, (4) the average number of days that families participated in the program, and (5) the outcome for such families six months after leaving the program.

Section 212-227 – MUNICIPAL REDEVELOPMENT AUTHORITY (MRDA)

Effective: October 1, 2019

Creates Municipal Redevelopment Authority (MRDA) as a quasi-public agency to stimulate economic and transit-oriented development; authorizes MRDA to (1) develop property and manage facilities in development districts encompassing the areas around transit stations and downtowns, (2) issue bonds and other notes backed by its financial resources and (3) enter into an Memorandum Of Agreement with Capitol Region Development Authority for administrative support and services; and makes the state liable for any bond, note or other financial obligations MRDA cannot pay. Department of Housing Commissioner is a required member of the Board.

Section 336 – Tax Exemptions for Certain Properties

Deeds that transfer the transferor's principal residence, where such residence has a concrete foundation that has deteriorated due to the presence of pyrrhotite and such transferor has obtained a written evaluation from a professional engineer licensed pursuant to chapter indicating that the foundation of such residence was made with defective concrete. The exemption authorized under this subdivision shall (A) apply to the first transfer of such residence after such written evaluation has been obtained, and (B) not be available to a transfer or who has received financial assistance to repair or replace such foundation from the Crumbling Foundations Assistance Fund established under § 8-441.

Section 69 - Waivers for Certain Housing Authorities

Effective: October 1, 2019

Existing law (1) requires state-financed housing authorities for moderate rental housing projects to make payments to the municipality in which the project is located instead of paying property taxes, special benefit assessments, and sewer system use charges and (2) authorizes the Department of Housing (DOH) to make these payments on a housing authority's behalf under the Moderate Rental Payment in Lieu of Taxes (PILOT) Program (CGS § 8-216). Under prior law, municipalities to which DOH made a Moderate Rental PILOT Program payment on a housing authority's behalf in FY 15, had to waive the above payments in FYs 16 to 19. For these same municipalities, **a new law** instead requires the waiver in any year when a Moderate Rental PILOT Program payment is not made on an authority's behalf

Section 114 – Early Childhood Cabinet

There is established the Early Childhood Cabinet. The cabinet shall consist of: (1) The Commissioner of Early Childhood, or the commissioner's designee, (2) the Commissioner of Education, or the commissioner's designee, (3) the Commissioner of Social Services, or the commissioner's designee, (4) the president of the Connecticut State Colleges and Universities, or the president's designee, (5) the Commissioner of Public Health, or the commissioner's designee, (6) the Commissioner of Developmental Services, or the commissioner's designee, (7) the Commissioner of Children and Families, or the commissioner's designee, (8) the executive director of the Commission on Women, Children, [and] Seniors, Equity and Opportunity or the executive director's designee, (9) the project

director of the Connecticut Head Start State Collaboration Office, (10) a parent or guardian of a child who attends or attended a school readiness program appointed by the minority leader of the House of Representatives, (11) a representative of a local provider of early childhood education appointed by the minority leader of the Senate, (12) a representative of the Connecticut Family Resource Center Alliance appointed by the majority leader of the House of Representatives, (13) a representative of a state-funded child care center appointed by the majority leader of the Senate, (14) two appointed by the speaker of the House of Representatives, one of whom is a member of a board of education for a town designated as an alliance district, as defined in section 10-262u, and one of whom is a parent who has a child attending a school in an educational reform district, as defined in section 10-262u, (15) two appointed by the president pro tempore of the Senate, one of whom is a representative of an association of early education and child care providers and one of whom is a representative of a public elementary school with a prekindergarten program, (16) eight appointed by the Governor, one of whom is a representative of the Connecticut Head Start Association, one of whom is a representative of the business community in this state, one of whom is a representative of the philanthropic community in this state, one of whom is a representative of the Connecticut State Employees Association, one of whom is an administrator of the child care development block grant pursuant to the Child Care and Development Block Grant Act of 1990, one of whom is responsible for administering grants received under section 1419 of Part B of the Individuals with Disabilities Education Act, 20 USC 1419, as amended from time to time, one of whom is responsible for administering the provisions of Title I of the Elementary and Secondary Education Act, 20 USC 6301 et seq., and one of whom is responsible for coordinating education services to children and youth who are homeless, (17) the Secretary of the Office of Policy and Management, or the secretary's designee, (18) the Lieutenant Governor, or the Lieutenant Governor's designee, (19) the **Commissioner of Housing, or the commissioner's designee**, and (20) the Commissioner of Mental Health and Addiction Services, or the commissioner's designee.

Section 109 – Child Poverty and Prevention Council

There shall be a Child Poverty and Prevention Council consisting of the following members or their designees: The Secretary of the Office of Policy and Management, the president pro tempore of the Senate, the speaker of the House of Representatives, the minority leader of the Senate and the minority leader of the House of Representatives, the Commissioners of Children and Families, Social

Services, Correction, Developmental Services, Mental Health and Addiction Services, Transportation, Public Health, Education, **Housing**, Agriculture and Economic and Community Development, the Labor Commissioner, the Chief Court Administrator, the chairperson of the Board of Regents for Higher Education, the Child Advocate, the executive directors of the Office of Early Childhood and the Commission on Human Rights and Opportunities and the executive director of the Commission on Women, Children, [and] Seniors, Equity and Opportunity or a designee. The Secretary of the Office of Policy and Management, or the secretary's designee, shall be the chairperson of the council. The council shall (1) develop and promote the implementation of a ten-year plan, to begin June 8, 2004, to reduce the number of children living in poverty in the state by fifty per cent, and (2) within available appropriations, establish prevention goals and recommendations and measure prevention service outcomes in accordance with this section in order to promote the health and well-being of children and families.

Section 124 – Two-Generational Model and Advisory Board

(c) The initiative shall foster the comprehensive two-generational service delivery approach for early care and education and workforce readiness in learning communities that may include, but need not be limited to, New Haven, Hartford, East Hartford, West Hartford, Norwalk, Meriden, Windham, Enfield, Waterbury and Bridgeport. The initiative shall be informed by members of low-income households within these communities and foster a peer-to-peer exchange and technical assistance in best practices that shall be shared with the advisory council established pursuant to subsection (d) of this section. The staff of the Commission on Women, Children, [and] Seniors, Equity and Opportunity shall serve as the organizing and administrative staff to the learning communities.

(d) A Two-Generational Advisory Council shall be established as part of the initiative to advise the state on how to foster family economic self-sufficiency in low-income households through a comprehensive two-generational service delivery approach for early care and education and workforce readiness. The council shall consist of one member of the General Assembly appointed by the speaker of the House of Representatives, who shall serve as a co-chairperson; one member of the Senate appointed by the president pro tempore of the Senate, who shall serve as a co-chairperson; one member representing the interests of business or trade organizations appointed by the majority leader of the Senate; one member with expertise on issues concerning health and mental health appointed

by the majority leader of the House of Representatives; one member on issues concerning children and families appointed by the minority leader of the Senate; one member of the General Assembly appointed by the minority leader of the House of Representatives; a member of a low-income household selected by the Commission on Women, Children, [and] Seniors, Equity and Opportunity; representatives of nonprofit and philanthropic organizations and scholars who are experts in two-generational programs and policies; and other business and academic professionals as needed to achieve goals for two-generational systems planning, evaluations and outcomes selected by the co-chairpersons. The Commissioners of Social Services, Early Childhood, Education, **Housing**, Transportation, Public Health and Correction and the Labor Commissioner, or each commissioner's designee; and the Chief Court Administrator, or the Chief Court Administrator's designee, shall serve as ex-officio members of the advisory council. The staff of the Commission on Women, Children, [and] Seniors, Equity and Opportunity shall serve as the organizing and administrative staff of the advisory council.

Public Act 19-51:

AN ACT CONCERNING FIRE SPRINKLER SYSTEMS IN RENTAL UNITS

Effective: October 1, 2019

Prior law required landlords to include a notice in each dwelling unit's lease disclosing whether the unit had a working fire sprinkler system. If a unit had a working system, the lease also had to include a notice indicating the date of the system's last maintenance and inspection. ***Under a new law***, landlords must provide these notices only when renting a dwelling unit in a building that is required to be equipped with a fire sprinkler system (e.g., by the State Fire Safety Code). Correspondingly, the notices must disclose information about the building's fire sprinkler system, rather than about a single dwelling unit's system.

Public Act 19-192:

AN ACT CONCERNING CRUMBLING CONCRETE FOUNDATIONS

Section 2 - Residential Buildings

Effective: July 1, 2019

This law broadens the definition of “residential building” that applies to several programs and statutory requirements. Among other things, this means that more people are eligible for CFSIC grants and Collapsing Foundations Credit Enhancement Program loans to repair or replace crumbling concrete foundations. Under the law, a “residential building” is a (1) single- or multi-family residential unit, including a condominium unit or unit in a common interest community, or (2) building containing one or more of these units.

Section 3 - Healthy Homes \$12 Surcharge

Effective: Upon Passage

Existing law imposes a \$12 surcharge on certain homeowners insurance policies and deposits the revenue into the Healthy Homes Fund. Among other things, the fund assists homeowners with crumbling foundations. ***The new law*** makes various changes to the surcharge. It imposes the charge (1) on the policy’s first named insured, rather than on all named insureds; (2) only when a policy begins or renews, instead of each time it is amended; and (3) on all policies covering individual condominium units, individual units in common interest communities, or owned homes with four or fewer units, excluding mobile homes.

Section 4 - Grants to Homes in New Haven and Woodbridge

Effective: Upon Passage

The law clarifies that a grant of up to \$1 million from the Healthy Homes Fund to aid certain homeowners in New Haven and Woodbridge with homes suffering from subsidence damage and water infiltration, must come from money accrued in the Healthy Homes Fund during the 2019 calendar year.

Section 5 - Residential Condition Report Changes

Effective: October 1, 2019

A new law expands the contents of the residential condition report, which residential property owners must use to make specific disclosures about a property's condition to a prospective purchaser. Among other things, it requires sellers to disclose and explain any knowledge they have about pyrrhotite in the foundation. In addition, the new law establishes additional disclosure requirements for regions affected by crumbling concrete foundations. Specifically, it requires affected municipalities selling residential property and anyone selling foreclosed residential property in an affected municipality to disclose any knowledge they have of significant defects in the property's foundation, including the presence of pyrrhotite. Under prior law, these transfers were exempt from the residential disclosure requirements. The law also creates a private right of action for buyers to bring a civil suit to recover actual damages from sellers who fail to make the required disclosures, including disclosures about a property's foundation.

Section 6 – Residential Condition Report Liability and Requirements

Effective: January 1, 2020

Under a new law, sellers must disclose and explain any actual knowledge they have related to significant defects in the property, even if they fail to complete the required written residential condition report. The law also creates a private right of action for buyers to bring a civil suit to recover actual damages from sellers who fail to comply.

Sections 7-12 - Collapsing Foundation Supplemental Loan Program

Effective: Upon Passage

This law allows homeowners to apply for supplemental loans to help repair or replace crumbling concrete foundations. Under the law, the Connecticut Housing Finance Authority (CHFA) must guarantee loans made by banks and credit unions in Connecticut to owners of residential buildings with pyrrhotite-damaged concrete foundations. To be eligible, building owners must have already received an agreement from the Connecticut Foundation Solutions Indemnity Corporation (CFSIC) to pay for a portion of the cost to repair or replace a crumbling concrete foundation. (CFSIC is the captive insurer established by the state to distribute funds to homeowners with concrete foundations that are crumbling due to pyrrhotite.) Participating banks and credit unions may issue loans of up to \$75,000, capped at an aggregate maximum of \$20 million for all loans. The program also establishes maximum closing costs and interest rates. The program ends once CHFA processes and the comptroller pays \$2 million in claim guarantees.

Special Act 19-8:

**AN ACT CONCERNING THE CONVEYANCE OF AN EASEMENT OVER A PARCEL
OF STATE LAND IN THE TOWN OF NEWINGTON**

Effective: Upon Passage

The law establishes that the Town of Newington shall only use said easement for open space and passive recreational use. Fee simple ownership in said parcel shall be retained by the state with all rights and privileges, including use for any future zoning setback requirements, buffer areas and density purposes as the state deems necessary.

Public Act 19-153:

AN ACT CONCERNING INTERAGENCY DATA SHARING

Effective: Upon Passage

The new law authorizes The Chief Data Officer, in consultation with the Attorney General and executive branch agency legal counsel, to review the legal obstacles to the sharing of high value data of executive branch agencies, inventoried under existing law, among agencies and with the public. The Chief Data Officer must also submit a report no later than January 15th, 2020 and annually thereafter of the findings.

Public Act 19-92:

**AN ACT CONCERNING ABANDONED AND BLIGHTED PROPERTY
RECEIVERSHIP**

Effective: January 1, 2020

A new law allows the Superior Court to appoint receivers for abandoned properties in municipalities with a population of at least 35,000. Under this law, lienholders and others may seek to be appointed as the receiver and, once appointed, are granted extensive powers to rehabilitate the property pursuant to a court-approved plan. Once the property is rehabilitated, the court may approve its sale, free of any encumbrances. The law also (1) establishes a process for distributing sale proceeds

and (2) requires the receiver to draft a deed after the sale stating that recognizable and marketable title to the property is vested in the purchasers, and prior ownership interests are extinguished.

Public Act 19-185:

**AN ACT CONCERNING THE ADOPTION OF MASTER PLANS BY TAX
INCREMENT DISTRICTS**

Effective: October 1, 2019

TIF is a development strategy whereby anticipated property tax revenue resulting from a major project is allocated to costs associated with the project. This year, the legislature made various changes to the process municipalities must follow to establish a TIF district. Among other things, the new law eliminates or delays certain deadlines associated with submitting TIF master plans to local commissions and adopting such plans.

Public Act 19-54:

AN ACT CONCERNING OPPORTUNITY ZONES

Section 9 – Working Group

Effective: Upon Passage

The Commissioner of Economic and Community Development, in consultation with the Commissioners of Energy and Environmental Protection, Transportation and Housing and the Secretary of the Office of Policy and Management, shall conduct a study relating to the federal opportunity zone program, and how the state may incentivize the use of such program in the state. The study shall: (1) Identify corporations and other beneficiaries of capital gains within the state to develop a strategy that focuses such corporations and other beneficiaries' qualified opportunity fund investments locally and encourages a cycling of capital within the state; (2) identify existing state incentive programs that may be used in conjunction with opportunity zone benefits; (3) identify existing incentives for businesses participating in the small business express program to move to opportunity zones and recommend additional incentives, including, but not limited to, reducing the amount of time a business is required to be in business to qualify for a grant and increasing the grant amount for every job created; (4) develop a

plan to issue bonds of the state for the purpose of providing low-interest loans to investors who develop mixed-income housing in the state's opportunity zones; (5) recommend incentives for investors to develop mixed-income housing that utilizes solar power or other renewable energy sources in the state's opportunity zones; (6) identify any agency's policies or regulations that may be amended to facilitate investment in federally designated opportunity zones; (7) identify any agency's discretionary grant processes that may be amended to include federally designated opportunity zone criteria; and (8) develop a plan to use social impact bonds to encourage private investment in federally designated opportunity zones. No later than February 1, 2020, the Commissioner of DECD shall submit a report on the results of such study, including recommendations for any requisite legislative proposals, to the joint standing committee of the General Assembly having cognizance of matters relating to commerce.

Public Act 19-74:

AN ACT CONCERNING MINORITY TEACHER RECRUITMENT AND RETENTION

Section 4 – Mortgage Assistance for Minority Teachers

Effective: July 1, 2019

Connecticut Housing Finance Authority administers a mortgage assistance program for certified teachers who qualify by, among other reasons, working in municipalities with the largest populations and a large number of children receiving state temporary family assistance benefits. A new law expands program eligibility to certified teachers who graduated from a (1) public high school in an educational reform district (i.e., the 10 lowest performing districts in the state) or (2) historically black college or university or a historically Hispanic-serving institution. The program offers mortgages at below market interest rates for those purchasing a house as their principal residence.

Public Act: 19-145:

AN ACT EXTENDING THE EZEQUIEL SANTIAGO FORECLOSURE MEDIATION PROGRAM UNTIL JUNE 30, 2023

Effective: Upon Passage

The legislature extended the state's foreclosure mediation program, by four years, until June 30, 2023. The mediation program brings together judicial branch mediators, lenders, and borrowers or owner-occupants, as applicable. The new law also decreases the frequency with which the chief court administrator must report to the legislature about the program.