



General Assembly

January Session, 2025

Committee Bill No. 12

LCO No. 5862



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Referred to Committee on HOUSING

Introduced by:
(HSG)

AN ACT CONCERNING CONNECTICUT'S HOUSING NEEDS.

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

1 Section 1. (*Effective from passage*) (a) There is established a working
2 group to study existing barriers to building additional starter homes in
3 the state. Such study shall include, but need not be limited to, an
4 examination of existing barriers at both the state and municipal level,
5 including, but not limited to, zoning restrictions, subdivision
6 requirements, building and fire safety codes and common interest
7 community regulations. For purposes of this section, "starter homes"
8 means affordable single-family residential dwellings.

9 (b) The working group shall consist of the chairpersons of the joint
10 standing committee of the General Assembly having cognizance of
11 matters relating to housing, who shall serve as chairpersons of the
12 working group, and any individuals who such chairpersons believe
13 may serve as sources of information and data to accomplish the
14 purposes of this section, including, but not limited to, the Commissioner
15 of Housing, or the commissioner's designee, and any professionals with
16 expertise in the areas of housing and state, regional or local planning.

17 (c) The chairpersons shall schedule the first meeting of the working
18 group, which shall be held not later than sixty days after the effective
19 date of this section.

20 (d) The administrative staff of the joint standing committee of the
21 General Assembly having cognizance of matters relating to housing
22 shall serve as the administrative staff of the working group.

23 (e) Not later than January 1, 2026, the working group shall submit a
24 report on its findings and recommendations to the joint standing
25 committee of the General Assembly having cognizance of matters
26 relating to housing, in accordance with the provisions of section 11-4a
27 of the general statutes. The working group shall terminate on the date
28 that it submits such report or January 1, 2026, whichever is later.

29 Sec. 2. Section 10-285a of the general statutes is amended by adding
30 subsection (l) as follows (*Effective July 1, 2025*):

31 (NEW) (l) On and after July 1, 2025, for applications submitted
32 pursuant to subsection (a) of section 10-283, the percentage of school
33 building project grant money a local board of education may be eligible
34 to receive shall be increased for a five-year period in accordance with
35 this subsection if, prior to December first of the year in which the board
36 submits an application for a grant, such board submits a written
37 determination issued by the Commissioner of Housing within such year
38 finding that the municipality in which the school building project is to
39 occur meets one of the thresholds of affordable housing, as provided in
40 section 8-30g, specified in subdivisions (1) to (3), inclusive, of this
41 subsection. A local board of education shall be eligible to receive the
42 following increase in such grant money: (1) Twenty per cent if the
43 municipality for such board meets or exceeds a ten per cent threshold of
44 affordable housing, (2) eight per cent if the municipality for such board
45 meets at least eight per cent but less than ten per cent of such threshold
46 of affordable housing, and (3) five per cent if the municipality for such
47 board meets at least six per cent but less than eight per cent of such
48 threshold of affordable housing.

49 Sec. 3. (*Effective July 1, 2025*) (a) For the purposes described in
50 subsection (b) of this section, the State Bond Commission shall have the
51 power from time to time to authorize the issuance of bonds of the state
52 in one or more series and in principal amounts not exceeding in the
53 aggregate fifty million dollars.

54 (b) The proceeds of the sale of such bonds, to the extent of the amount
55 stated in subsection (a) of this section, shall be used by the Department
56 of Housing for the purpose of financing approved projects to create
57 employment opportunities in the construction industry to develop
58 affordable housing pursuant to section 4 of this act.

59 (c) All provisions of section 3-20 of the general statutes, or the exercise
60 of any right or power granted thereby, that are not inconsistent with the
61 provisions of this section are hereby adopted and shall apply to all
62 bonds authorized by the State Bond Commission pursuant to this
63 section. Temporary notes in anticipation of the money to be derived
64 from the sale of any such bonds so authorized may be issued in
65 accordance with section 3-20 of the general statutes and from time to
66 time renewed. Such bonds shall mature at such time or times not
67 exceeding twenty years from their respective dates as may be provided
68 in or pursuant to the resolution or resolutions of the State Bond
69 Commission authorizing such bonds. None of such bonds shall be
70 authorized except upon a finding by the State Bond Commission that
71 there has been filed with it a request for such authorization that is signed
72 by or on behalf of the Secretary of the Office of Policy and Management
73 and states such terms and conditions as said commission, in its
74 discretion, may require. Such bonds issued pursuant to this section shall
75 be general obligations of the state and the full faith and credit of the state
76 of Connecticut are pledged for the payment of the principal of and
77 interest on such bonds as the same become due, and accordingly and as
78 part of the contract of the state with the holders of such bonds,
79 appropriation of all amounts necessary for punctual payment of such
80 principal and interest is hereby made, and the State Treasurer shall pay
81 such principal and interest as the same become due.

82 Sec. 4. (*Effective July 1, 2025*) (a) The Commissioner of Housing shall,
83 within available bond authorizations, develop and establish a four-year
84 pilot program to provide funding for proposed projects that create
85 employment opportunities in the construction industry to develop
86 affordable housing.

87 (b) On and after July 1, 2025, an eligible project sponsor may submit
88 an application, in a form and manner provided by the commissioner, to
89 receive funds from the pilot program for a proposed project. The
90 commissioner shall establish criteria for awarding funds pursuant to
91 this section. Such criteria for awarding funds pursuant to this section
92 shall include, but need not be limited to, a requirement that (1) an
93 applicant secure coinvestment funding in the proposed project by a
94 union pension fund or comingled fund of union pension fund
95 investments with a demonstrated record of successful investment in the
96 construction of affordable housing, (2) the proposed project be covered
97 by a project labor agreement, and (3) an applicant be committed to
98 workforce training by adhering to state-registered apprenticeship
99 standards and apprenticeship readiness programs.

100 (c) All housing built with funds received from the pilot program
101 pursuant to this section shall remain affordable, through the use of
102 deeds containing covenants or restrictions that require such housing be
103 sold or rented at, or below, prices that will preserve the unit as housing,
104 for a period of not less than forty years, for which persons and families
105 pay thirty per cent or less of income, where such income is less than or
106 equal to eighty per cent of the median income or other means selected
107 by the commissioner.

108 (d) Not later than six months following the date of completion of the
109 pilot program, the Commissioner of Housing shall submit a report, in
110 accordance with the provisions of section 11-4a of the general statutes,
111 to the joint standing committee of the General Assembly having
112 cognizance of matters relating to housing. Such report shall include an
113 analysis of the efficacy of the pilot program administered pursuant to

114 this section and any recommendations for legislation to expand such
115 program or implement such program on a permanent basis.

116 Sec. 5. Section 47a-4 of the general statutes is repealed and the
117 following is substituted in lieu thereof (*Effective July 1, 2025*):

118 (a) A rental agreement shall not provide that the tenant: (1) Agrees to
119 waive or forfeit rights or remedies under this chapter and sections 47a-
120 21, 47a-23 to 47a-23b, inclusive, 47a-26 to 47a-26g, inclusive, 47a-35 to
121 47a-35b, inclusive, 47a-41a, 47a-43 and 47a-46, or under any section of
122 the general statutes or any municipal ordinance unless such section or
123 ordinance expressly states that such rights may be waived; (2)
124 authorizes the landlord to confess judgment on a claim arising out of the
125 rental agreement; (3) agrees to the exculpation or limitation of any
126 liability of the landlord arising under law or to indemnify the landlord
127 for that liability or the costs connected therewith; (4) agrees to waive
128 [his] such tenant's right to the interest on the security deposit pursuant
129 to section 47a-21; (5) agrees to permit the landlord to dispossess [him]
130 such tenant without resort to court order; (6) consents to the distraint of
131 [his] such tenant's property for rent; (7) agrees to pay the landlord's
132 attorney's fees in excess of fifteen per cent of any judgment against the
133 tenant in any action in which money damages are awarded; (8) agrees
134 to pay a late charge prior to the expiration of the grace period set forth
135 in section 47a-15a or to pay rent in a reduced amount if such rent is paid
136 prior to the expiration of such grace period; (9) agrees to pay a late
137 charge on rent payments made subsequent to such grace period in an
138 amount exceeding the amounts set forth in section 47a-15a; [or] (10)
139 agrees to pay a heat or utilities surcharge if heat or utilities is included
140 in the rental agreement; or (11) agrees to pay for utilities if no separate
141 meter for such utilities exists for such tenant's dwelling unit.

142 (b) A provision prohibited by subsection (a) of this section included
143 in a rental agreement is unenforceable.

144 Sec. 6. Section 7-148b of the general statutes is repealed and the
145 following is substituted in lieu thereof (*Effective July 1, 2025*):

146 (a) For purposes of this section and sections 7-148c to 7-148f,
147 inclusive, "seasonal basis" means housing accommodations rented for a
148 period or periods aggregating not more than one hundred twenty days
149 in any one calendar year and "rental charge" includes any fee or charge
150 in addition to rent that is imposed or sought to be imposed upon a
151 tenant by a landlord.

152 (b) Any town, city or borough [may, and any town, city or borough
153 with a population of twenty-five thousand or more, as determined by
154 the most recent decennial census,] shall, through its legislative body,
155 adopt an ordinance that creates a (1) fair rent commission, (2) joint fair
156 rent commission, pursuant to subsection (d) of this section, or (3)
157 regional fair rent commission, pursuant to subsection (e) of this section.
158 Any such commission shall make studies and investigations, conduct
159 hearings and receive complaints relative to rental charges on housing
160 accommodations, except those accommodations rented on a seasonal
161 basis, within its jurisdiction, which term shall include mobile
162 manufactured homes and mobile manufactured home park lots, in
163 order to control and eliminate excessive rental charges on such
164 accommodations, and to carry out the provisions of sections 7-148b to
165 7-148f, inclusive, as amended by this act, section 47a-20 and subsection
166 (b) of section 47a-23c. The commission, for such purposes, may compel
167 the attendance of persons at hearings, issue subpoenas and administer
168 oaths, issue orders and continue, review, amend, terminate or suspend
169 any of its orders and decisions. The commission may be empowered to
170 retain legal counsel to advise it.

171 (c) Any town, city or borough [required to create a fair rent
172 commission pursuant to subsection (b) of this section] shall adopt an
173 ordinance creating such fair rent commission on or before [July 1, 2023]
174 January 1, 2028. Not later than thirty days after the adoption of such
175 ordinance, the chief executive officer of such town, city or borough shall
176 (1) notify the Commissioner of Housing that such commission has been
177 created, and (2) transmit a copy of the ordinance adopted by the town,
178 city or borough to the commissioner.

179 (d) Any two or more towns, cities or boroughs [not subject to the
180 requirements of subsection (b) of this section] may, through their
181 legislative bodies, create a joint fair rent commission.

182 (e) Any towns, cities or boroughs that are members of a regional
183 council of governments formed pursuant to section 4-124j may, through
184 their legislative bodies and such regional council of governments, create
185 a regional fair rent commission.

186 Sec. 7. (NEW) (*Effective July 1, 2025*) (a) As used in this section:

187 (1) "As of right" has the same meaning as provided in section 8-1a of
188 the general statutes;

189 (2) "Commercial building" means a structure primarily designed or
190 used for nonresidential purposes, including, but not limited to, hotels,
191 retail space and office space. "Commercial building" does not include an
192 industrial building;

193 (3) "Dwelling unit" has the same meaning as provided in section 47a-
194 1 of the general statutes;

195 (4) "Industrial building" means a structure that is used primarily for
196 industrial activity and is generally not open to the public, including, but
197 not limited to, warehouses, factories and storage facilities; and

198 (5) "Residential development" means a structure or structures, or a
199 portion of a structure, that contains one or more dwelling units.

200 (b) Any zoning regulations adopted pursuant to section 8-2 of the
201 general statutes shall allow the conversion or partial conversion of any
202 commercial building into a residential development as of right.

203 (c) No municipality shall condition the approval of the conversion or
204 partial conversion of a commercial building into a residential
205 development on the correction of a nonconforming use, structure or lot.

206 (d) Nothing in this section shall be interpreted or enforced to exempt

207 the conversion or partial conversion of a commercial building into a
208 residential development from the requirements of any applicable
209 building code, fire safety code or fire prevention code. No municipality
210 shall unreasonably delay any inspection required in connection with
211 such conversion or partial conversion.

212 (e) The as-of-right permit application and review process for
213 approval of the conversion or partial conversion of a commercial
214 building into a residential development shall require that a decision on
215 any such application be rendered not later than sixty-five days after
216 receipt of such application by the applicable zoning commission, except
217 that an applicant may consent to one or more extensions of not more
218 than an additional sixty-five days or may withdraw such application.

219 (f) Notwithstanding the provisions of section 12-62 of the general
220 statutes, no municipality shall subject a commercial building that has
221 been converted or partially converted under this section to a
222 revaluation, as defined in section 12-62 of the general statutes, for a
223 period of three years after a certificate of occupancy is issued in
224 connection with such conversion or partial conversion.

225 Sec. 8. (NEW) (*Effective July 1, 2025*) (a) The Connecticut Housing
226 Finance Authority shall, as part of the homeownership loan program
227 established pursuant to section 8-286 of the general statutes, and within
228 the resources allocated by the State Bond Commission to the
229 Department of Housing for the purposes of said program, develop and
230 administer a pilot program for certain mortgage borrowers with unpaid
231 student loan debt. Such program shall authorize the authority to
232 provide a rate reduction to eligible mortgage holders in the amount of
233 up to one and one hundred twenty-five thousandths per cent.

234 (b) The Connecticut Housing Finance Authority shall establish
235 guidelines for the program established pursuant to subsection (a) of this
236 section. Such guidelines shall include the eligibility requirements for
237 program participants and other guidelines as deemed necessary by the
238 authority.

239 (c) To be eligible for the program, a borrower shall:

240 (1) Be a first-time homebuyer or have not owned a home in the past
241 three years unless purchasing in a targeted area, as defined in Section
242 143 of the Internal Revenue Code of 1986, or any subsequent
243 corresponding internal revenue code of the United States, as amended
244 from time to time;

245 (2) Meet the income guidelines as established by the authority's
246 income limits based on household size and have a gross income at or
247 below one hundred per cent of the area median income;

248 (3) Have a combined student loan debt with at least a fifteen-
249 thousand-dollar unpaid principal balance, provided such loan is in
250 good standing with no past due amounts and may be in repayment or
251 deferment status; and

252 (4) Meet other eligibility requirements as deemed necessary by the
253 authority.

254 Sec. 9. (*Effective July 1, 2025*) The sum of four million two hundred
255 thousand dollars is appropriated to the Department of Housing from
256 the General Fund, for the fiscal year ending June 30, 2026, to increase
257 rental assistance certificates issued to elderly or disabled persons
258 pursuant to section 8-119kk of the general statutes by at least four
259 hundred twenty-five certificates.

260 Sec. 10. (*Effective July 1, 2025*) The sum of four million five hundred
261 thousand dollars is appropriated to the Department of Housing from
262 the General Fund, for the fiscal year ending June 30, 2026, to provide a
263 grant-in-aid to the Head Start on Housing Program in order to increase
264 rental assistance program certificates issued to families participating in
265 Head Start by at least two hundred seventy-five certificates.

<p>This act shall take effect as follows and shall amend the following sections:</p>
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Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2025</i>	10-285a(l)
Sec. 3	<i>July 1, 2025</i>	New section
Sec. 4	<i>July 1, 2025</i>	New section
Sec. 5	<i>July 1, 2025</i>	47a-4
Sec. 6	<i>July 1, 2025</i>	7-148b
Sec. 7	<i>July 1, 2025</i>	New section
Sec. 8	<i>July 1, 2025</i>	New section
Sec. 9	<i>July 1, 2025</i>	New section
Sec. 10	<i>July 1, 2025</i>	New section

Statement of Purpose:

To promote fair and equitable housing opportunities in every community in the state.

[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.]

Co-Sponsors: SEN. LOONEY, 11th Dist.; SEN. DUFF, 25th Dist.
 SEN. ANWAR, 3rd Dist.; SEN. CABRERA, 17th Dist.
 SEN. FLEXER, 29th Dist.; SEN. GADKAR-WILCOX, 22nd Dist.
 SEN. GASTON, 23rd Dist.; SEN. HOCHADEL, 13th Dist.
 SEN. HONIG, 8th Dist.; SEN. KUSHNER, 24th Dist.
 SEN. LESSER, 9th Dist.; SEN. LOPES, 6th Dist.
 SEN. MAHER, 26th Dist.; SEN. MARX, 20th Dist.
 SEN. MCCRORY, 2nd Dist.; SEN. MILLER P., 27th Dist.
 SEN. RAHMAN, 4th Dist.; SEN. SLAP, 5th Dist.
 SEN. WINFIELD, 10th Dist.; REP. REYES, 75th Dist.
 REP. LUXENBERG, 12th Dist.; REP. SANCHEZ R., 25th Dist.

S.B. 12