
OLR Bill Analysis

sHB 5394 (as amended by House "A")*

AN ACT CONCERNING THE UNIFORM RELOCATION ASSISTANCE ACT.

SUMMARY

Under the state's Uniform Relocation Assistance Act (URAA), municipalities and state agencies must pay to relocate people who are displaced due to, among other things, their code enforcement actions (like for health or building code violations). For displaced tenants, the bill adds that the payments may cover emergency and temporary housing. Under the bill, the tenant's landlord is responsible for repaying these costs, as they are for other tenant relocation assistance under existing law (such as rental assistance or a down payment).

Under existing law, the state may give a municipality a grant to cover part of its costs to relocate a tenant, in exchange for the municipality's right to repayment from the landlord. The bill modifies this process, allowing municipalities to receive a grant even if it has not yet taken certain legal steps.

The URAA also requires municipalities and state agencies to provide advisory assistance to displaced people. If the displaced person is a tenant, the bill makes the landlord responsible for paying for this assistance.

The bill also makes various minor, technical, and conforming changes.

*House Amendment "A" (1) allows payments for emergency and temporary housing, rather than hotels, and removes these payments from the \$4,000 cap that applies to certain other types of assistance and (2) adds the requirement that landlords pay for advisory assistance.

EFFECTIVE DATE: October 1, 2026

EMERGENCY AND TEMPORARY HOUSING COSTS

Existing law requires municipalities to pay up to \$4,000 toward a displaced tenant's rent (for up to four years) or downpayment on a home. The landlord must repay these relocation costs if tenants were displaced due to code enforcement and the municipality may put a lien on the landlord's real property (buildings and land) to secure repayment.

The bill makes landlords also responsible for a municipality's payments for emergency and temporary housing for displaced tenants (the \$4,000 cap does not apply to these payments).

State Grants for Municipal Relocation Costs

Existing law also allows the state to enter into a contract with a municipality under which it gives a grant for part of the municipality's tenant relocation costs in exchange for the municipality's related claims against the landlord. The bill allows the municipality to receive a grant if it (1) agrees to lien the landlord's property, even if it has not done so yet, and (2) assigns its claims to the state within one year after the last payment has been made for the relocated tenant.

ADVISORY ASSISTANCE

Under the URAA, state agencies and municipalities must provide an advisory assistance program to people who are displaced because the agency or municipality acquired their land and ordered them to vacate it or enforced health or building codes, among other things.

Existing law requires the program to provide services to minimize hardship for people adjusting to relocation. The bill (1) specifies this includes programs for emergency and temporary housing and (2) makes landlords responsible for paying for this and other assistance their tenants receive under the program.

Other advisory assistance available under existing law includes measures, facilities, or services to:

1. determine displaced people's relocation assistance needs;
2. give up-to-date information on housing available to rent or buy, including price, and the availability of commercial properties for displaced businesses;

3. assure people, before they are displaced, of the availability of decent, safe, and sanitary housing that is close to their workplace and not less desirable;
4. help people displaced from their businesses or farms to get established in a new place; and
5. give information on federal and state programs that help displaced people, including disaster loan programs.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 21 Nay 0 (03/13/2026)