
OLR Bill Analysis

sHB 5395

AN ACT CONCERNING MODULAR OR PREFABRICATED HOMES.

SUMMARY

This bill generally requires all municipal zoning regulations to treat modular and prefabricated homes like traditionally built homes (“stick-built homes”). Broadly, the bill defines these as single-family units that are partially fabricated off-site but do not qualify as mobile manufactured homes.

The bill also makes each of these dwellings eligible for a base value of 0.25 HUE (housing unit equivalent) points toward an § 8-30g moratorium (see BACKGROUND – § 8-30g *Moratoria*). The 0.25 HUE point is awarded only if the modular or prefabricated home does not qualify for HUE points under another eligibility category.

Under the bill, a “modular or prefabricated home” is a completely assembled and erected building or structure with one dwelling unit. It may include prefabricated unit service equipment made of prefabricated units or prefabricated subassemblies. “Prefabricated unit service equipment” generally is a complete unit of mechanical equipment and related fixtures and accessories, whether prefabricated or assembled on-site (for example, bathroom and kitchen plumbing assemblies and loop-wiring assemblies of electric circuits).

Broadly, a “prefabricated unit” is a built-up section forming an individual structural element (for example, a beam, girder, plank, strut, column, or truss), with prefabricated integrated parts. Broadly, a “prefabricated subassembly” is a combination of multiple structural elements designed and fabricated as an assembled section of wall, ceiling, floor, or roof that can be incorporated into a building or structure on-site, by combining at least two subassemblies.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2026

ZONING REGULATIONS

The bill prohibits all zoning regulations from imposing conditions and requirements on modular and prefabricated homes that are substantially different from those imposed on other single-family dwellings. It similarly prohibits regulations from treating lots on which these homes are built substantially differently from other single-family lots.

Existing law prohibits regulations adopted under statutory authority from imposing on manufactured homes (including mobile homes) and associated lots and mobile home parks conditions that are substantially different from those imposed on single or multi-family dwellings and associated lots, cluster developments, or planned unit developments. This provision in existing law applies to manufactured homes built to federal manufactured home construction and safety standards.

HUE POINTS FOR MODULAR AND PREFABRICATED HOMES

The bill awards each modular or prefabricated home a base value of 0.25 HUE points if it was built under a zoning regulation that conforms to the bill's requirements (see above). The bill specifies that the 0.25 HUE point is not a bonus awarded in addition to other points a unit may qualify for. Instead, it can only be awarded if a unit does not qualify for any other HUE points (such as HUE points for being deed-restricted to maintain affordability).

By law, unchanged by the bill, the 0.25 HUE points is the lowest point allocation for any unit type. Other dwellings that are eligible for a base value of 0.25 HUE points include market-rate units in a set-aside development or resident-owned mobile home park, and certain middle housing built under a local option summary review procedure.

BACKGROUND**§ 8-30g**

The affordable housing land use appeals procedure is a set of rules requiring local land use commissions to defend their decisions denying affordable housing developments or approving them with certain conditions. In traditional zoning appeals, the developer must convince the court that the municipality acted illegally or arbitrarily, or abused its discretion by rejecting the proposed development. The procedure instead places the burden of proof on municipalities.

By law, a developer cannot appeal under the procedure in a municipality (1) in which the Department of Housing determines at least 10% of the housing stock is affordable or (2) that obtains a moratorium.

§ 8-30g Moratoria

By law, a municipality is generally eligible for a four- or five-year moratorium (temporary suspension) from appeals taken under § 8-30g each time it shows it has added a certain amount of qualifying housing units to its housing stock, measured in HUE points. The number of points required depends on certain factors, like the municipality's size and whether it adopted certain zoning regulations or has qualified for a moratorium before.

Generally, newly built affordable housing developments count toward the moratorium, as do units subjected to certain deed restrictions. But the law also awards HUE points to certain market-rate units. The law awards HUE points to units based on various factors, including how deeply affordable they are and whether they were built in a municipality that adopted certain zoning regulations. By law, some dwelling types are awarded "bonus" HUE points in addition to base HUE points. This means that the law explicitly awards them a "bonus" for falling into multiple eligibility categories.

Related Bills

sHB 5507, favorably reported by the Planning and Development Committee, among other things, requires the Department of Housing to

develop a program promoting standardized accessory dwelling unit designs.

sHB 5376, favorably reported by the Insurance and Real Estate Committee, changes § 8-30g by adding an additional ground for a local land use commission to defend its decision to reject or deem incomplete an affordable housing application when the application uses nonstandard, prefabricated, or proprietary construction assemblies, and the applicant did not provide a preliminary life safety report.

The Housing and Planning and Development committees favorably reported several other bills impacting § 8-30g, including: sSB 338 (prohibits the allocation of HUE points after § 8-30g litigation, under certain circumstances); sHB 5362 (reduces required affordability period for set-aside developments on municipal land, requires the court to stay appeals when a municipality applies for a moratorium, extends moratoria to align with housing growth plans, requires towns to report on affordable housing applications, and clarifies middle housing HUE point allocations); sHB 5364 (redefines “set-aside development” to reduce required affordability periods and aligns HUE point allocations with them); and sHB 5365 (File 113) (modifies HUE point allocations, including for accessory apartments and certain deeply affordable housing).

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 21 Nay 0 (03/13/2026)