



General Assembly

February Session, 2020

Raised Bill No. 5128

LCO No. 509



Referred to Committee on HOUSING

Introduced by:
(HSG)

***AN ACT CONCERNING MINOR REVISIONS TO STATUTES
REGARDING BOND-FINANCED STATE HOUSING PROGRAMS.***

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

1 Section 1. Subdivision (2) of subsection (a) of section 8-37qq of the
2 general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective from passage*):

4 (2) "Administrative expense" means any administrative or other cost
5 or expense incurred by the state in carrying out the provisions of any of
6 the following bond-financed state housing programs, including the
7 hiring of necessary employees and the entering of necessary contracts:
8 Housing authority programs for social and supplementary services,
9 affordable housing pursuant to section 8-37pp, project rehabilitation
10 and improvement, and energy conservation pursuant to section 8-44a,
11 moderate rental housing pursuant to section 8-70, moderate cost
12 housing pursuant to section 8-82, housing for elderly persons pursuant
13 to section 8-114a, congregate housing for the elderly pursuant to section
14 8-119h, housing for low-income persons pursuant to section 8-119dd,
15 urban homesteading pursuant to subsection (a) of section 8-169w,

16 financial assistance for development of limited equity cooperatives and
 17 mutual housing pursuant to section 8-214f, financial assistance to
 18 elderly homeowners for emergency repairs or rehabilitation pursuant to
 19 section 8-219b, home ownership loans pursuant to subsection (a) of
 20 section 8-286, financial assistance for the development of quality rental
 21 housing and homeownership pursuant to section 8-336p, housing
 22 programs for homeless persons pursuant to sections 8-356 and 8-357,
 23 private rental investment mortgage and equity program pursuant to
 24 sections 8-401 and 8-403, assistance for housing predevelopment costs
 25 pursuant to sections 8-410 and 8-411, residential subsurface sewage
 26 disposal system repair pursuant to section 8-420, and energy
 27 conservation loans pursuant to section 16a-40b.

28 Sec. 2. Section 8-37mm of the general statutes is repealed and the
 29 following is substituted in lieu thereof (*Effective July 1, 2020*):

30 (a) For the purposes described in subsection (b) of this section, the
 31 State Bond Commission shall have the power, from time to time to
 32 authorize the issuance of bonds of the state in one or more series and in
 33 principal amounts not exceeding in the aggregate thirty million dollars,
 34 provided fifteen million dollars of said authorization shall be effective
 35 July 1, 2016.

36 (b) The proceeds of the sale of said bonds, to the extent of the amount
 37 stated in subsection (a) of this section shall be [used by the Department
 38 of Housing for the purposes of] deposited in a homelessness prevention
 39 and response fund and used by the Department of Housing to provide
 40 forgivable loans or grants to [(1)] landlords [to] for one or more of the
 41 following purposes: (1) To renovate multifamily homes, including
 42 performing building code compliance work and other major
 43 improvements, [in exchange for the landlord's participation in a rapid
 44 rehousing program. A landlord's participation in such program would
 45 include, but not be limited to, waiving security deposits and abatement
 46 of rent for a designated period; and (2) landlords to renovate
 47 multifamily homes, including performing building code compliance
 48 work and other major improvements, fund ongoing maintenance and

49 repair, or capitalize operating and replacement reserves in exchange for
50 the abatement of rent by a landlord for scattered site supportive housing
51 units.] (2) to fund ongoing maintenance and repair, or (3) to capitalize
52 operating and replacement reserves. In exchange for such forgivable
53 loan or grant, the landlord shall participate in a rapid rehousing or
54 supportive housing program and shall agree to abate rent for a
55 designated period and waive the collection of security deposits.

56 (c) The Department of Housing may use not more than five per cent
57 of the total allocation for administrative purposes.

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

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>from passage</i>	8-37qq(a)(2)
Sec. 2	<i>July 1, 2020</i>	8-37mm

Statement of Purpose:

To redefine "administrative expense" for purposes of certain bond-financed state housing programs and to make minor revisions to the statute concerning the homelessness prevention response fund.

[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.]