**PA 25-49**—HB 5002 **(VETOED)**
*Housing Committee*
*Finance, Revenue and Bonding Committee*
*Appropriations Committee*

# AN ACT CONCERNING HOUSING AND THE NEEDS OF HOMELESS PERSONS

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## § 41 — BROADENING PURPOSES OF HEALTHY HOMES FUND

*Would have broadened the purposes for which DOH may use a certain portion of the Healthy Homes Fund*

**SUMMARY:** This act would have made changes in laws related to housing and planning and zoning, among other things. It also would have made various minor, technical, and conforming changes. A section-by-section analysis of the vetoed act follows.

EFFECTIVE DATE: Various, see below.

## § 1 — ANNUAL HOUSING AUTHORITY REPORTING REQUIREMENTS

*Would have modified housing authorities' annual reporting requirements by requiring them to (1) post these reports on their websites and (2) include new rental affordability information*

The act would have modified requirements related to the reports housing

authorities must annually submit to the housing commissioner and their respective municipality's chief executive officer. It would have required housing authorities, beginning with reports due March 1, 2026, to (1) post these reports on their websites and (2) include new rental affordability information. Specifically, the act would have required annual reports to include the following additional information:

1. rental price levels by "income group" (see below) for housing authority-owned or -operated rental units, and the annual change in the rental price level of these units;
2. the number of rental units at each respective rental price level for housing authority-owned or -operated housing projects or developments, as a percentage of area median income (AMI); and
3. the dates when rental units qualified as "affordable" (by law, "affordable housing" is that for which households earning no more than the federally determined AMI pay 30% or less of their annual income (CGS § 8-39a)).

By law, an "income group" is one of the following household groups, adjusted for family size and based on AMIs established by the federal Department of Housing and Urban Development:

1. household income up to 25% AMI,
2. household income above 25% AMI and up to 50% AMI,
3. household income above 50% AMI and up to 80% AMI,
4. household income above 80% AMI and up to 100% AMI, and
5. household income above 100% AMI.

Existing law requires these annual reports to include various other metrics related to housing authorities' operation, such as (1) an inventory of existing housing authority-owned or -operated housing (e.g., total number of rental units, their types and sizes, and occupancies and vacancies in each housing project or development); (2) a description and status update for new construction projects an authority is undertaking; and (3) information on certain rental housing that an authority sold, leased, or transferred during the reporting period.

EFFECTIVE DATE: October 1, 2025

## § 2 — AS-OF-RIGHT DEVELOPMENTS ON COMMERCIALLY ZONED LOTS

*Generally would have required regulations adopted under CGS § 8-2 to allow as-of-right middle housing development on lots zoned for commercial use*

The act would have required zoning regulations adopted under CGS § 8-2, rather than a special act, to allow certain residential developments as of right on lots zoned for commercial use.

Specifically, the act would have required zoning regulations to allow middle housing developments on any lot zoned for commercial use, as of right. Under the act, "as of right" meant the ability to be approved without requiring (1) a public hearing; (2) a variance, special permit, or special exception; or (3) other discretionary zoning action, other than a determination that (a) the site plan conforms with applicable zoning regulations and (b) there will be no substantial impacts to public health and safety.

Under the act, "middle housing" was a residential building with two to nine units, such as duplexes, triplexes, cottage clusters, perfect sixes, and townhouses (as these terms are defined by law, CGS § 8-1a).
EFFECTIVE DATE: July 1, 2026

## § 2 — MANUFACTURED HOMES

*For regulations adopted under CGS § 8-2, would have required all manufactured homes meeting federal standards to be treated like other dwellings, regardless of how small they are*

The law prohibits regulations adopted under CGS § 8-2 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. The prohibition applies to manufactured homes built to federal standards if their narrowest dimension is 22 feet or more. The act would have eliminated this size requirement.
EFFECTIVE DATE: July 1, 2026

## §§ 2, 3 & 42 — MINIMUM PARKING REQUIREMENTS

*For regulations adopted under CGS § 8-2, would have generally prohibited having minimum off-street parking requirements for residential developments; would have required parking needs assessments for certain larger residential developments; would have eliminated an authorization for planning and zoning bodies to adopt regulations on paying fees instead of providing parking*

The act would have generally prohibited zoning regulations adopted under statutory authority (CGS § 8-2) from having minimum off-street parking requirements for residential developments unless there is a development-specific assessment of needed parking.

The act also would have eliminated a provision in law that broadly allows planning and zoning bodies to adopt regulations on paying fees in lieu of providing parking.
EFFECTIVE DATE: July 1, 2026

### *Minimum Parking Regulations*

For municipalities exercising zoning authority under the statutes, the act would have prohibited their zoning regulations from having minimum off-street parking requirements for residential developments. In practice, many municipalities have zoning regulations with a schedule of off-street parking requirements that vary based on a proposed project's use (e.g., retail or housing) and size (e.g., square footage or number of bedrooms). Under the act, these formulaic schedules would have been prohibited for residential developments. The act also would have specifically prohibited the local zoning enforcement officer (ZEO) or planning, zoning, or combined planning and zoning commission from rejecting a proposed development solely due to a failure to conform to a requirement for off-street

parking unless the lack of parking had a specific adverse impact on public health and safety.

As under existing law, municipalities would have retained their general authority to adopt regulations designed to lessen congestion in the streets and promote health and general welfare. The act would have required applicants for residential developments with at least 24 units to pay for and submit a parking needs assessment to the ZEO or local planning, zoning, or combined planning and zoning commission. The commission would have been allowed to condition a development's approval on building an amount of off-street parking that is not more than 110% of the parking the assessment deems necessary. Under the act, the needs assessment was required to analyze (1) available existing public and private parking that may be used by the proposed development's residents, (2) public transportation options that the proposed development's residents may use that mitigate the need for off-street parking, and (3) current and projected future needs for off-street parking for the proposed development.

The act also would have made several conforming changes to reflect this prohibition on formulaic minimum parking requirements in regulations adopted under CGS § 8-2. This includes repealing provisions that allow municipalities to opt out of certain restrictions in existing law on setting minimum parking requirements for housing developments.

*Fees in Lieu of Parking*

The act also would have eliminated a provision in existing law that authorizes planning and zoning bodies to adopt regulations on paying fees in lieu of providing parking. The authorization the act would have eliminated applies to all zoning regulations (including those adopted under special act authority) as well as subdivision regulations adopted by a planning commission under statutory authority. Under this law, planning and zoning bodies may adopt regulations allowing applicants subject to a minimum parking requirement to pay a fee instead of providing the required parking spaces, if they make certain findings. Specifically, the existing law requires the planning or zoning body to determine that the number of required parking spaces (1) cannot be physically located on the parcel or (2) would result in an excess number of parking spaces for the use or area.

## § 4 — DSS PORTABLE SHOWER AND LAUNDRY FACILITIES PILOT PROGRAM

*Would have required DSS to (1) develop and administer a pilot program providing portable showers and laundry facilities to people experiencing homelessness and (2) report on the program to the Housing Committee*

The act would have required the Department of Social Services (DSS), within available appropriations, to develop and administer a pilot program providing portable showers and laundry facilities to people experiencing homelessness. The department would have been required to implement the program in at least three municipalities and use it to provide at least three portable shower trailers and

traveling laundry trucks. Under the act, DSS would have been authorized to contract with nonprofits to administer the program.

The act also would have (1) required DSS, by January 1, 2027, to report on the program to the Housing Committee and (2) terminated the program on January 1, 2027.

EFFECTIVE DATE: Upon passage

## § 5 — PROTEST PETITIONS

*Would have limited the impact of protest petitions filed on proposals to change zoning regulations or district boundaries and also modified who may sign these petitions*

The act would have limited the legal effect of protest petitions filed on proposals to change zoning regulations or district boundaries. It also would have modified who may sign a protest petition.

By law, a proposal to establish, change, or repeal a zoning regulation or zoning district boundary is adopted if the zoning commission's members vote in favor of it, generally by a simple majority. However, the threshold increases to a two-thirds majority if a valid protest petition is filed, making it more difficult to approve the proposal. Under the act, the voting threshold would have remained a simple majority even if a valid protest petition was filed.

Under current law, to be valid, a protest petition must be signed by the owners of at least 20% of the (1) area of the lots included in the proposed change or (2) lots within 500 feet in all directions of the property included in the proposed change. Under the act, it would have needed to be signed by the owners of at least 50% of the (1) area of the lots included in the proposed change, (2) total number of lots included in the proposal, or (3) lots within 500 feet in all directions.

EFFECTIVE DATE: July 1, 2025

## §§ 6 & 40 — DISCRETIONARY INFRASTRUCTURE FUNDING DEFINITION AND PRIORITIZATION

*Would have required that municipalities eligible for priority for certain discretionary infrastructure funding under both the act's fair share allocation planning and transit-oriented development district provisions receive the highest priority for this funding*

The act would have specified how prioritization for "discretionary infrastructure funding" must be determined if a municipality qualified for priority funding under the act's provisions on affordable housing plans and transit-oriented districts. Under the act, municipalities that were eligible under both frameworks would have received priority over those eligible under only one framework. The Office of Policy and Management (OPM) secretary would have had to make recommendations to the state agency responsible for administering or managing the discretionary infrastructure funding and, if prioritization was allowed for the funding, the agency would have had to prioritize the funding as described above.

Under the act, "discretionary infrastructure funding" is any grant, loan, or other financial assistance that:

1. the state administers under the Clean Water Fund (to the extent it pays for municipal drinking water or sewerage system projects);
2. the state administers under the Urban Act Grant Program, Main Street Investment Fund, Small Town Economic Assistance Program, and Incentive Housing Zone Program; or
3. OPM or the economic and community development or transportation commissioners manage for transit-oriented development purposes, as defined in state law (CGS § 13b-79o).

EFFECTIVE DATE: July 1, 2025, for the definition and October 1, 2025, for the prioritization provisions.

## § 6 — PLANNING FOR MUNICIPAL FAIR SHARE ALLOCATIONS

*Would have established a framework for prioritizing certain discretionary state funding to specified municipalities, including those with relatively high property wealth per capita with OPM-approved plans, to, among other things, allow for the creation of affordable housing units needed to meet their fair share allocation*

The act would have established a new framework for giving certain municipalities priority for specified discretionary state funding (see above) if they (1) created a realistic opportunity for the municipality's fair share allocation (see *Background — Fair Share Allocation* and below) to be built or (2) were exempt from these planning requirements (because they generally have a relatively low per-capita property wealth). Municipalities would have been required to create the realistic opportunity under a priority affordable housing plan, which is a more detailed plan on the future development of affordable housing than existing law requires of municipalities. Among other things, the plans would have had to outline proposed "compliance implementation mechanisms," which include steps the municipality will take to support housing development, such as changing local policies, donating land, and seeking sewer funding. Under the act, the priority plan requirement applied in addition to the existing affording housing plan requirement. The act would have required the plans to be updated at least every five years.

Municipalities that did not have to adopt priority plans still had to adopt affordable housing plans every five years, as existing law requires. But the act would have eliminated the requirement that the plans show how municipalities will improve the accessibility of affordable housing units for people with disabilities. The act would have required the OPM secretary to post affordable housing plans on OPM's website.

EFFECTIVE DATE: July 1, 2025

### *Priority Plan Submission Requirements*

The act's priority plan requirement would have applied to any municipality with an adjusted equalized net grand list per capita (AENGLC) in the highest 80% for the fiscal year before the year the plan is due. The OPM secretary would have had to determine whether a municipality is covered by the priority plan requirement. (AENGLC is generally a measure of town property wealth under the state's

education cost sharing law and is defined as a combination of property tax base per person and income per person.)

The act would have set the following due dates for the first priority plans:

1. by June 1, 2027, for municipalities that begin with the letters "A" to "F";
2. between June 1, 2027, and June 1, 2028, for municipalities that begin with the letters "G" to "P"; and
3. between June 1, 2028, and June 1, 2029, for municipalities that begin with the letters "Q" to "Z".

*OPM Review*. Under the act, municipalities had to submit their initial and updated priority plans to the secretary for review. Within 90 days after receiving one, the secretary had to approve or reject the submission and include a written statement explaining the decision. If approved, the secretary had to issue an approval letter to the municipality.

If the secretary did not act within 90 days, the plan would be deemed provisionally approved. The secretary could reject the plan at any point and the provisional approval would be terminated when notice was sent to the municipality.

*Implementing Plans and Reporting on Changes*

Under the act, if a plan was approved, the municipality would then amend its zoning regulations and set up compliance implementation mechanisms (see below) as proposed in the plan. Any updated priority plan submitted to OPM would have had to detail these subsequent actions.

*Priority Plan Content*

The priority plans would have had to:

1. specify how the municipality intends to create a "realistic opportunity" for the development of the number of affordable housing units (a) allocated to the municipality in the fair share allocation or (b) offered by the municipality as the alternative feasible number (see below);
2. detail how the municipality intends to change its zoning regulations and use "compliance implementation mechanisms" (see below) to allow for the development of the number of affordable housing units (a) allocated to the municipality in the fair share allocation or (b) offered by the municipality as the alternative feasible number;
3. identify (a) specific zones or parcels sufficient to build the municipality's fair share allocation as of right and (b) the planned density for the zones or parcels; and
4. provide for the creation of a sufficient supply of the different types of deed-restricted affordable housing units, as specified under the act, required to meet 25% of the municipality's fair share allocation.

Under the act, "affordable housing units" generally are units that are deed restricted for at least 40 years to preserve them as affordable to low-income households (i.e. those earning no more than 80% of the lesser of the state or area median income).

*Realistic Development Opportunity*. The plan would have had to specify how the municipality would, among other things, create a "realistic opportunity" for the development of the number of affordable housing units allocated to the municipality (or the alternative number the municipality suggests is feasible, see below).

Under the act, a "realistic opportunity" is using municipal powers (e.g., planning and zoning powers) and "compliance implementation mechanisms" to remove barriers and constraints to the construction, rehabilitation, repair, or maintenance of affordable housing units. It also includes removing constraints to allow these actions on developable land for the benefit of low-income households, in a time frame and with administrative burdens (including fees and hearings) comparable to what the municipality imposes on applicants seeking to build single-family homes.

Under the act, "developable land" is an area identified as being feasible for residential or mixed uses. But it does not include:

1. land already committed to a public use or purpose, whether publicly or privately owned;
2. existing parks, recreation areas, and open space dedicated to the public or subject to a recorded conservation easement;
3. land otherwise subject to an enforceable restriction on, or prohibition of, development;
4. wetlands or watercourses as defined in state law; and
5. areas exceeding one-half acre of contiguous land that are unsuitable for development due to topographic features, such as steep slopes.

*Compliance Implementation Mechanisms*. Under the act, "compliance implementation mechanisms" are (1) changes to municipal policies and procedures and (2) proactive steps taken to allow for the development of affordable housing units.

These proactive steps include (1) redeveloping a site, (2) seeking funding for affordable housing unit development or sewer infrastructure, (3) donating municipal land for development, or (4) entering into agreements with developers for a development that includes affordable housing units.

*Unit Types Required.* The act specified that the priority plan must provide for the creation of different types of affordable housing units to meet 25% of the fair share allocation. Specifically, the municipality would have had to ensure that of any affordable housing units:

1. at least 50% are family units (i.e. not age-restricted and have at least two bedrooms);
2. no more than 25% are age-restricted or preserved only for people with disabilities;
3. at least 25% are rental units, and of these at least 50% are family units; and
4. no more than 25% are studio or one-bedroom units.

*Alternative Feasible Number*. Under the act, if a municipality opted to assert, when submitting its priority plan, that it could not meet 25% of its fair share allocation and provide for the creation of the unit types outlined above, then it had to explain why. It would also have had to explain its intended steps to overcome

any impediments to developing its fair share allocation, including specifying an alternative number of units it is currently able to develop. The explanation the municipality submitted would have had to include evidence of a lack of developable land if that was a relevant concern.

*Priority for Certain Discretionary Funding*

Under the act, municipalities would have been eligible for prioritized discretionary funding from certain state programs if they (1) had an approved or provisionally approved priority plan or (2) were exempt from making priority plans. The act specified that it should not be construed to make a municipality that does not have an approved priority plan ineligible for discretionary infrastructure funding.

To receive the funding on a priority basis, municipalities would have had to apply to the OPM secretary on a form he prescribed. The act would have required the OPM secretary to make recommendations to the state agency responsible for the specified funding and would have allowed the agency to prioritize an eligible municipality if the grant program allowed for priority designation and the municipality was otherwise eligible for the funding.

*Background — Fair Share Allocation*

A 2023 law required the OPM secretary, in consultation with the housing and economic and community development commissioners, to create a methodology for each municipality's fair share allocation of affordable housing by generally (1) determining the need for affordable housing units in each of the state's planning regions and (2) fairly allocating this need to each region's municipalities.

The OPM secretary must, in consultation with these commissioners, use the methodology to determine the minimum need for affordable housing units for each planning region and a municipal fair share allocation for each region's municipalities.

## § 7 — FAIR SHARE METHODOLOGY AND LAND INVENTORY

*Would have changed requirements related to selecting and applying the fair share methodology, which is used to formulate affordable housing need assessments and allocations; would have established a process by which municipalities could seek a legislative change of their fair share allocation; would have required most municipalities to submit information on vacant and developable land to the majority leaders' roundtable*

Existing law requires OPM to establish and apply a methodology for (1) determining the need for affordable housing units in each of the state's planning regions and (2) fairly allocating this need to each region's municipalities. The act would have made changes to this process.

The act also would have (1) required most municipalities to report to the legislature on vacant and developable land and (2) created a process for municipalities to seek an adjustment of their fair share allocation. (The priority

planning requirement, as described above, also would have had a process for municipalities to contest their fair share allocation.)
EFFECTIVE DATE: October 1, 2025

*Selecting and Applying Methodology*

The act would have required the OPM secretary to update the methodology used every 10 years, and correspondingly would have required the secretary to apply the methodology every 10 years to establish affordable housing needs by region and fair share allocations for each municipality.

Currently, establishing the methodology is a one-time requirement due December 1, 2024. In practice, the secretary has not yet established a methodology nor submitted it to the legislature. The act would have superseded current law's requirements and instead required the secretary to use a specified methodology outlined in a May 2025 report ("Connecticut Fair Share Housing Study, Housing Needs Methodology and Allocation") submitted to OPM by a consultant hired to review methodology options. Under the act, from October 1, 2025, until December 1, 2034, the secretary would have had to use Alternative Approach A, as outlined in Appendix A of this report, when establishing fair share allocations.

Additionally, the act would have made a conforming change to clarify that existing law's legislative approval requirement for the selected methodology would not apply until the second time a methodology is selected (i.e. by January 1, 2035, and then every 10 years).

*Land Inventory and Alternative Fair Share Allocation*

The act would have created a one-time reporting requirement for municipalities subject to the priority affordable housing plan requirement (i.e. fair share planning, see above). By January 1, 2026, each municipality would have had to submit to the majority leaders' roundtable, in a form it specified, an inventory of vacant and developable land in the municipality. Under the act, land is "vacant" land if it is not developed or lacks essential ancillary improvements, above and below water, required for it to serve a useful purpose (including an approved subdivision that is not being physically improved or sold as lots). "Developable" land is the same as under the fair share planning provisions (see above). When submitting this information, the municipality would have been able to also propose an alternative fair share allocation (as part of the priority planning process, as described above, municipalities also would have had an opportunity to propose an alternative allocation, for approval by OPM).

By February 1, 2026, the majority leaders' roundtable would have had to analyze the submitted information and make recommendations on whether the alternative allocation proposed should be approved by the legislature. Its recommendations would have been required to be submitted to the Housing Committee in the same manner as task force reports. The Housing Committee would have reported its approval or disapproval. Each chamber would have had to confirm or reject the recommendations by resolution. If rejected, the

recommendations would be referred back to the Housing Committee for reconsideration.

The act specified that if a municipality did not propose an alternative allocation, the OPM-calculated allocation (based on the consultant report) applied.

## § 8 — HOSTILE ARCHITECTURE

*Would have (1) prohibited municipalities from installing or constructing hostile architecture in or on any publicly accessible building or property they own and (2) required them to investigate alleged violations and remove any buildings or structures determined to be hostile architecture*

Beginning October 1, 2025, the act would have prohibited municipalities from installing or constructing "hostile architecture" in or on any publicly accessible building or property they own. Under the act, "hostile architecture" is any building or structure designed or intended primarily to prevent a person experiencing homelessness from sitting or lying in or on them at street level. The term excludes design elements meant to prevent skateboarding or rollerblading or vehicles from entering certain areas.

Under the act, after a municipality received written notice from anyone that a building or structure violated the act's provisions, the municipality would have been required to (1) investigate the alleged violation and (2) if the municipality determined the building or structure was hostile architecture, remove it within 90 days.

The act also specifies that these provisions would not have applied to hostile architecture installed or constructed before October 1, 2025.

EFFECTIVE DATE: October 1, 2025

## § 9 — DOH MIDDLE HOUSING DEVELOPMENT GRANT PROGRAM

*Would have required DOH to develop and administer a grant program supporting housing authorities in expanding middle housing availability in municipalities with a population up to 50,000*

The act would have required the Department of Housing (DOH), within available bond authorizations (see *Background — Related Act*), to develop and administer a middle housing development grant program supporting housing authorities in expanding middle housing availability in municipalities with a population of up to 50,000 (based on the most recent decennial census). By law, "middle housing" is:

1. duplexes, triplexes, and quadplexes;
2. cottage clusters (a group of at least four detached housing units, or live work units, per acre and located around a common open area); and
3. townhouses (a residential building built in a group of three or more attached units, each of which shares at least one common wall with an adjacent unit and has exterior walls on at least two sides).

The act would have required DOH to develop and issue a request for proposals from housing authorities for the program. Under the program, DOH would have

been able to give these housing authorities grants for providing middle housing development assistance related to (1) pre-development, construction, or rehabilitation, or (2) land or building acquisition.
EFFECTIVE DATE: July 1, 2025

*Background — Related Act*

The bond act (PA 25-174, § 119) authorizes up to $100 million in general obligation (GO) bonds for DOH to administer such a middle housing development grant program.

## § 10 — DIRECT RENTAL ASSISTANCE PROGRAMS

*Would have (1) allowed DOH and municipal housing authorities to give certain nonprofit providers grants to administer direct rental assistance programs meeting specified requirements and (2) required DSS to review these programs*

The act would have allowed DOH and municipal housing authorities (or authorities acting jointly), within available appropriations or funding, to give nonprofit providers (i.e. generally housing authorities and certain nonprofits) grants to administer direct rental assistance programs meeting specified requirements. Under the act, these would have been programs making cash payments to, or on behalf of, eligible households ("recipients") to secure or maintain housing. Recipients would have been required to be (1) eligible for assistance under the state Rental Assistance Program (RAP) and (2) on a waiting list for the federal Housing Choice Voucher (HCV) program (see *Background — Tenant-Based Rental Assistance*).

The act would have capped direct rental assistance under a provider's program at the greater of (1) DOH's maximum allowable rent schedule for RAP or (2) fair market rent under the HCV program. It would have also (1) required providers to meet certain application, data privacy, and reporting requirements; (2) required DSS to review providers' program proposals, including ensuring the direct rental assistance would not impact a recipient's eligibility for other government benefits; and (3) set various requirements on program interaction with other types of housing assistance and program termination. The act would have ended these programs by July 1, 2028.
EFFECTIVE DATE: July 1, 2025

*Nonprofit Providers*

Under the act, "nonprofit providers" included housing authorities or nonprofit corporations that engage in philanthropy or owning or operating housing. The act would have required providers seeking a direct rental assistance program grant to develop a proposal and submit it to DOH or the participating housing authority. The proposal would have had to include information on how the provider would:

1. implement program operations,
2. determine recipient eligibility,

3. process direct rental assistance payments,
4. establish privacy policies and procedures and accordingly collect data on program operation, and
5. report on program operations to DOH.

The act would have required nonprofit providers implementing a program to comply with its eligibility requirements and state housing policy. Additionally, they would have been required to give each recipient written notice, before providing direct rental assistance, about any potential impact of program participation on their current or future eligibility for federal or state benefits (see below). This notice would have had to include contact information for recipients to get additional information or guidance.

The act would have allowed DOH to give financial or technical support to any provider operating a program.

*Data Privacy*. Under the act, any data a nonprofit provider collected from a recipient according to the provider's program policies, procedure, or regulations would have been confidential and exempt from disclosure under the Freedom of Information Act, except for aggregated information included in the report discussed below.

*DSS Review and Approval*

The act would have (1) required DOH and housing authorities to submit any direct rental assistance program proposals to the DSS commissioner for review and (2) prohibited nonprofit providers from making direct rental assistance payments until the commissioner approved the proposal. In undertaking the review, the commissioner would have had to ensure the direct rental assistance did not impact a recipient's eligibility for, or the amount of, any benefits under state-administered assistance programs, including any program a state or municipal agency administers with federal funding or assistance.

The act would have required the DSS commissioner to disregard direct rental assistance a recipient received, meaning she would have had to exclude it as income when determining a recipient's eligibility for certain benefits. The disregard would have applied for the duration of a recipient's participation in a direct rental assistance program and the commissioner could have reauthorized it. Under the act, if the commissioner had determined that a waiver or approval (federal, state, or local) was needed to authorize the income disregards under applicable benefits programs, she would have had to request and promptly pursue it. The act would have required the commissioner to approve program proposals after obtaining the needed waivers or approvals or finding them not required.

*Program Termination and Other Tenant-Based Rental Assistance*

Direct rental assistance programs implemented under the act would have been required to end by July 1, 2028, and any recipient who still needed housing assistance at a program's conclusion could have been issued a RAP certificate, if available. Under the act, a recipient's participation in a program would not have

impacted their status on an HCV or RAP waiting list. It would have allowed any recipient issued a federal or state voucher to exit the direct rental assistance program.

Under the act, recipients would not have been eligible for direct rental assistance if they were also receiving assistance through a RAP certificate, HCV voucher, or any other housing assistance that partially or fully subsidized their rent. The act would have required nonprofit providers to reallocate unexpended funds or vacated slots (resulting from a recipient's exit or ineligibility) to another eligible recipient based on the provider's program implementation criteria.

*Program Reporting*

The act would have required any nonprofit provider with a direct rental assistance program, by July 1, 2029, to report to DOH on program implementation and outcomes. DOH would have been required to submit these reports to the Housing Committee and at least include the following information:

1. an analysis of the number of recipients served disaggregated by demographics, including household size, income level, and housing insecurity status;
2. the program's impact on recipients, including changes in housing stability, ability to relocate to another housing unit, household income, and access to employment or education opportunities;
3. a cost-effective analysis comparing the program to the HCV program and RAP;
4. feedback from recipients and landlords participating in the program; and
5. recommendations for continuing, expanding, or modifying the program.

*Background — Tenant-Based Rental Assistance*

Tenant-based rental assistance is generally rental subsidies to help low-income households rent privately owned homes that meet certain guidelines. The federal Department of Housing and Urban Development's HCV program (42 U.S.C. § 1437f(o)) and RAP (CGS § 8-345) are two examples of programs that offer this type of assistance.

## § 11 — OPEN CHOICE VOUCHER PILOT PROGRAM

*Would have (1) required DOH to re-establish the Open Choice Voucher pilot program and (2) made it available to any eligible families participating in the Open Choice program, rather than only to those from the Hartford region*

The act would have (1) required the DOH commissioner, in consultation with the education commissioner and housing, civil rights, and education advocates, to re-establish the Open Choice Voucher pilot program by June 15, 2026, and (2) made it available to any eligible families participating in the Open Choice school program (see *Background — Open Choice Program*), rather than only to those participating in the Hartford region as the original program required.

SA 21-26 first established this pilot program, which required the DOH commissioner to designate 20 RAP certificates over a two-year period (the 2022-2023 and 2023-2024 school years) for families who (1) qualified as low-income under RAP, (2) had participated in the Open Choice program for at least one year in the Hartford region, and (3) wanted to move to the municipality where their child was attending school through Open Choice. The act would have required the commissioner to make another 10 existing certificates available to program participants (in any district, not just the Hartford region) during each of the 2026-2027 and 2027-2028 school years.

As under the expired pilot program, the act also would have required the DOH commissioner to submit interim and final reports on the re-established pilot to the Education and Housing committees (by August 31, 2026, and August 31, 2027, respectively).

EFFECTIVE DATE: July 1, 2025

*Background — Open Choice Program*

The Open Choice Program is a voluntary interdistrict attendance program that allows students from large urban districts to attend suburban schools and vice versa, on a space-available basis. Its purpose is to reduce racial, ethnic, and economic isolation; improve academic achievement; and provide public school choice.

## § 12 — REGIONAL SERVICES GRANT TO COGS

*Would have increased the regional services grant amount that each COG annually receives and specified the purposes for which it must be spent*

Beginning with the 2026 fiscal year, the act would have increased by $400,000 the regional services grant amount that each regional council of governments (COG) annually receives from the Regional Planning Incentive Account. Each COG would have been required to use $200,000 of the additional amount to fund positions providing technical support and legal services for planning and developing housing. They would have been required to use the other $200,000 to fund either a (1) regional stormwater management and flood mitigation coordinator position or (2) regional municipal solid waste and recycling coordinator position.

By law, the regional services grants to the nine COGs must total $7 million each year, with each COG receiving a base amount and per-capita amount. Under existing law, the OPM secretary must update the distribution formula every five years. The act would also have required the OPM secretary to consult with the COGs when he does so.

EFFECTIVE DATE: July 1, 2025

## §§ 13-15 — FIRST-TIME HOMEBUYER SAVINGS PROGRAM

*Would have created a first-time homebuyer savings program, generally allowing individuals and employers to contribute into specialized savings accounts for a beneficiary's eligible homebuying expenses and receive tax benefits for doing so*

The act would have created a first-time homebuyer savings program, generally allowing individuals and employers to contribute into specialized savings accounts for a beneficiary's eligible homebuying expenses and receive tax benefits for doing so.

Specifically, the act would have created (1) personal income tax deductions for certain individuals who contribute to, or are the qualified beneficiaries of, funds deposited into a first-time homebuyer savings account and (2) a tax credit for employers who similarly contribute to the accounts of their employees. It would have required the Department of Revenue Services (DRS) commissioner to implement the tax deduction and credit, including by preparing associated forms, and allowed him to adopt implementing regulations.

Under the act, individuals would have been able to open at financial institutions (i.e. banks, out-of-state banks, credit unions, or their affiliates or third-party providers) savings accounts dedicated to paying for or reimbursing the down payment and closing costs of an account holder who is a first-time homebuyer and resides in a Connecticut one- to four-family residence purchased with account funds (i.e. the "qualified beneficiary"). The act would have designated "first-time homebuyers" as those who have not previously owned or purchased, either individually or with someone else, a one- to four-family residence (including a mobile manufactured home or a unit in a cooperative, common interest community, or condominium).

To qualify for the act's tax deductions, account holders would have had to have a federal adjusted gross income (AGI) below $125,000 for single filers or $250,000 for joint filers. They could have deducted (1) the contributions deposited in the account, generally capped at $2,500 for single filers and $5,000 for joint filers annually; (2) accrued interest; and (3) for an account holder who is also the account's qualified beneficiary, the amount withdrawn to pay or reimburse him or her for program eligible costs. For the act's tax credit, employers would have been able to annually claim 10% of their contributions to employees' accounts against the corporation business or personal income tax, but the amount would have been capped at $2,500 for any specific employee. Deductions and credits would have started in the 2027 tax or income year, as applicable, but the 2027 deduction or credit could have included contributions made in the 2026 tax or income year.

If funds were withdrawn from a first-time homebuyer savings account for a reason other than an allowed purpose, the act generally would have imposed a civil penalty of 10% of the withdrawn amount.

EFFECTIVE DATE: January 1, 2026

*Account Contributions*

The act would have allowed anyone to contribute to a first-time homebuyer savings account with no limit on contributions made to, or contained in, an account. Accounts could have only contained cash, but account holders could have invested the funds in money market funds.

It would have prohibited employers of account holders from seeking

reimbursement for contributions they made to an employee's account if his or her employment ended.

*Use of Account Funds*

The act would have limited the use of account funds to (1) a qualified beneficiary's down payment and closing costs to purchase a one- to four-family residence in the state as his or her primary residence (i.e. "eligible costs") and (2) the financial institution's account service fees. Allowable closing costs would have been disbursements listed on the settlement statement associated with the home purchase. The act would have allowed an account holder to withdraw funds from an account and deposit them into another account established for the same purpose.

*Account Holder Powers and Responsibilities*

*Establishing the Account.* Under the act, an individual could have established one or more accounts. Joint tax return filers could have jointly established and held accounts, so long as they jointly filed tax returns for each taxable year that the account exists.

The act would have prohibited an account holder from using any funds deposited into an account for administrative fees or expenses, other than the financial institution's service fees.

*Designating the Beneficiary.* The act would have required individual or joint account holders to designate the account's qualified beneficiary by April 15 of the year immediately after the taxable year during which the account was established.

Under the act, account holders could have designated a new qualified beneficiary at any time, but there could be only one qualified beneficiary associated with an account at a time. In addition, the act would have prohibited anyone from establishing or holding more than one account with the same qualified beneficiary.

*Tax Reporting.* The act would have required an account holder to submit to the DRS commissioner the following information for each tax year during which the holder had a first-time homebuyer savings account:

1. his or her tax return;
2. any information the commissioner requires about the account to implement the tax deduction and credit;
3. the IRS Form 1099 issued by the financial institution for the account; and
4. if the account holder withdrew funds from the account during the taxable year, (a) a detailed accounting of the eligible and ineligible costs paid or reimbursed with account funds and (b) the remaining account balance.

*Withdrawing Funds.* The act would have established a civil penalty, collectible by the DRS commissioner, of 10% of the withdrawn amount for an account holder who withdraws account funds for a reason other than transferring the funds to another such account or paying or reimbursing the qualified beneficiary for the home purchase down payment or closing costs. If the account holder deducted these withdrawn funds for state income tax purposes, the withdrawn funds would have been considered income.

The act would have waived the withdrawal penalty and not considered the withdrawn funds as income if the:

1. account holder did not claim the funds for a state income tax deduction,
2. withdrawn funds were subsequently deposited in another account under the first-time homebuyer savings program,
3. withdrawal was due to the death or disability of an account holder who established the account, or
4. withdrawal is considered an asset disbursement as part of a bankruptcy proceeding.

*Commissioner Responsibilities.* To implement the deduction and credit, the act would have required the DRS commissioner to prepare forms to:

1. designate (a) accounts as first-time homebuyer savings accounts and (b) qualified beneficiaries and
2. collect from account holders information for tax purposes and any other information the commissioner needed to perform his program duties.

*Financial Institution Responsibilities.* The act would have authorized the DRS commissioner to require that financial institutions provide certain unspecified information about each first-time homebuyer account. However, it would have limited the role of financial institutions by specifying that they were not required to:

1. designate an account as a "first-time homebuyer savings account,"
2. track the use of funds withdrawn from an account, or
3. allocate account funds among account holders.

Additionally, under the act, a financial institution would have not been liable or responsible for:

1. determining if, or ensuring that, an account meets the act's requirements;
2. determining if account funds are used to pay for or reimburse eligible costs; or
3. disclosing or remitting taxes or penalties unless applicable law requires it.

However, the act would have required a financial institution to distribute funds in a first-time homebuyer savings account according to the account's governing contract when it received proof of an account holder's death and all other information required by the contract.

*Tax Benefit — Individual Deduction*

Beginning with the 2027 tax year, the act would have established three tax deductions for first-time homebuyer account holders for (1) qualifying contributions, (2) accrued interest, and (3) withdrawals. The deductions would have applied only to the extent the income was included in the taxpayer's federal AGI.

*Income Thresholds.* To qualify for the deductions, account holders would have had to meet the following income thresholds:

1. for single filers (i.e. unmarried individuals, married individuals filing separately, and heads of household), a federal AGI of less than $125,000 and
2. for joint filers, a federal AGI of less than $250,000.

*Deduction Amounts: Contributions, Accrued Interest, and Qualified Beneficiary Deductions*. The act would have established a deduction for contributions that generally equals the amount contributed to an account during the applicable tax year, minus any funds withdrawn during the tax year that were not already claimed for a deduction, up to $2,500 for single filers and $5,000 for joint filers for each tax year.

For the 2027 tax year only, account holders could have deducted the amount contributed (less withdrawals) for both the 2026 and 2027 tax years, allowing an aggregate deduction of up to $5,000 for single filers and $10,000 for joint filers.

The act would have allowed account holders to deduct the total interest accrued on their accounts during each tax year, beginning with the 2027 tax year.

For an account holder who is a qualified beneficiary, the act would have established a tax deduction in the amount of any withdrawal from an account that is used to pay, or reimburse, the eligible costs he or she incurred (i.e. the income from a withdrawal used to pay eligible expenses is offset by this tax deduction).

*Tax Benefit — Employer Credit*

Beginning with the 2027 tax or income year, as applicable, the act would have established a tax credit for employers that contributed to a current employee's first-time homebuyer savings account, which they could have claimed against the corporation business tax or personal income tax (but not the withholding tax). The act would have set the annual credit amount at 10% of the employer's contributions to the employees' accounts, capped at $2,500 for any specific employee. (Corresponding with the act's individual deductions, the 2027 credit would have included contributions made during the 2026 and 2027 tax or income years.)

Under the act, if the employer was an S corporation or a partnership for federal income tax purposes, the employer's shareholders or partners could have claimed the credit. For a single-member limited liability company disregarded as an entity separate from its owner, the owner could have claimed the credit if he or she was subject to business corporation or income tax. Taxpayers claiming the credit would have had to provide DRS supporting documentation, as the commissioner required.

## § 16 — RELIEF AVAILABLE IN PUBLIC ACCOMMODATION AND HOUSING DISCRIMINATION CASES

*Would have extended to the attorney general existing judicial relief that is available to CHRO under the state's housing and public accommodation anti-discrimination laws*

The act would have extended to the attorney general existing judicial relief that is available to the Commission on Human Rights and Opportunities (CHRO) under the state's housing and public accommodation anti-discrimination laws. It would have specifically authorized the attorney general to ask for certain injunctive relief, punitive damages, or civil penalties against anyone who violates these anti-discrimination laws.

The judicial relief under the act would have been available for actions brought by the attorney general against a person for a pattern or practice of violations or as

the result of the attorney general investigating a potential violation. The attorney general would have been allowed to petition for the relief from the Superior Court for the judicial district where the violation or alleged violation occurred.
EFFECTIVE DATE: October 1, 2025

*Petition for Relief, Damages, and Civil Penalties*

Under the act, the attorney general's petition could have sought certain remedies available under an existing CHRO statute, such as:

1. appropriate injunctive relief, including temporary or permanent orders or decrees restraining and enjoining the violator from selling or renting to anyone other than the person adversely affected by the violation pending the court's decision;
2. an award of damages based on a specific calculation that accounts for, among other things, the adversely affected person's alternative housing, storage, and moving costs;
3. an award of punitive damages payable to the adversely affected person, up to $50,000;
4. a civil penalty up to $10,000, $25,000, or $50,000 payable to the state, generally depending on the violator's number of prior discriminatory housing practices; or
5. a combination of these remedies.

*CHRO Jurisdiction*

Certain provisions of existing law would have extended to the act's provisions and as such, the act would have:

1. maintained an adversely affected person's right to file a complaint with CHRO,
2. prohibited the attorney general from bringing an action concurrent with a case before CHRO that involves the same parties and alleged facts and circumstances,
3. allowed the attorney general to refer cases to CHRO as appropriate, and
4. required the attorney general to post information on his office's website about properly filing a CHRO complaint.

## § 17 — ATTORNEY'S FEES UNDER AFFORDABLE HOUSING LAND USE APPEALS PROCEDURE

*Would have allowed the court to award reasonable attorney's fees to an applicant under the CGS § 8-30g appeals procedure if it found, after a hearing, that the municipal planning or zoning agency's decision was made in bad faith or to cause undue delay*

The affordable housing land use appeals procedure (i.e. CGS § 8-30g) generally requires municipal planning and zoning agencies to defend their decisions rejecting qualifying affordable housing development applications or approving them with restrictions that would have a substantial adverse impact on the project's viability

or the affordability of income-restricted units. Specifically, applicants (e.g., developers) can use the appeals procedure to contest these decisions in court and the procedure places the burden of proof on the municipal planning or zoning agency. (In traditional land use appeals, the appellant instead must convince the court that the agency acted illegally or arbitrarily or abused its discretion.)

Under the act, if the court found, after a hearing, that the agency's decision was made in bad faith or to cause undue delay, the court would have been allowed to award reasonable attorney's fees to the applicant (if the court ordered the construction of a total number of (1) units in an affordable housing development or (2) affordable units in a set-aside development equaling at least 90% of the units proposed in the original application to the commission).

EFFECTIVE DATE: October 1, 2025

## § 18 — USE OF REVENUE MANAGEMENT DEVICES

*Would have (1) made it an unlawful practice in violation of the Connecticut Antitrust Act for anyone to use a revenue management device to set rental rates or occupancy levels for residential dwelling units and (2) subjected violators to certain investigation and enforcement provisions, including a civil penalty*

The act would have made it an unlawful practice in violation of the Connecticut Antitrust Act for anyone to use a revenue management device to set rental rates or occupancy levels for residential dwelling units. Also, the act would have subjected violators to its investigation and enforcement provisions, which in turn would have authorized the attorney general to investigate and bring action against violators on behalf of the state and its residents.

The act defined "revenue management device" as a device commonly known as revenue management software that uses one or more programmed or automated processes to calculate nonpublic competitor data on local or statewide rents or occupancy levels, to advise a landlord on (1) whether to leave a unit vacant or (2) the amount of rent he or she could get. It included a product that incorporates a revenue management device, but did not include a:

1. report that publishes existing rental data in an aggregated way, but that does not recommend rental rates or occupancy levels for future leases or
2. product used for establishing rent or income limits under the affordable housing program guidelines of a local, state, or federal program.

The act defined "nonpublic competitor data" as information not available to the general public, including information about actual rent amounts, occupancy levels, lease start and end dates, and other similar data, regardless of whether the information was (1) attributable to a specific competitor or anonymized and (2) derived from or otherwise provided by another person that competes in the same or a related market.

EFFECTIVE DATE: October 1, 2025

## §§ 19, 20, 24 & 25 — ZONING FOR TRANSIT-ORIENTED DEVELOPMENT

*Would have created a framework in which a municipality's priority for receiving certain discretionary state funding could be tied to its adoption of zoning regulations that promote transit-oriented development*

The act would have created a framework in which a municipality's priority for receiving certain discretionary infrastructure funding (see above) could be tied to its designation as a qualifying transit-oriented community (TOC) or its plans to become one. Under the act, a municipality with a rapid transit station or bus station generally could have become a TOC by adopting zoning regulations creating a transit-oriented district (or "district") around the station that meets certain requirements, including allowing certain housing developments "as of right" (see *Background — As-of-Right Developments*).

The act would have allowed certain municipalities without a rapid transit station to request that the Office of Responsible Growth (ORG) coordinator deem them qualifying transit-adjacent communities after they create a district that meets the requirements applicable to TOC districts. Under the act, if they were deemed qualifying transit-adjacent communities, they would have been entitled to any discretionary infrastructure funding that is available to TOCs on a priority basis, but they are not TOCs themselves.

EFFECTIVE DATE: October 1, 2025

*Priority for Discretionary Infrastructure Funding*

Under the act, a municipality was eligible for prioritized discretionary funding if it (1) qualifies as a TOC by establishing a reasonably sized transit-oriented district; (2) adopts a resolution stating its intent to become one; (3) has a transit-oriented district by October 1, 2025; or (4) is a transit-adjacent community. The act would have required that this funding be used exclusively on improvements located within a district (but they could also benefit property outside a district).

Under the act, to receive prioritized discretionary infrastructure funding, eligible municipalities would generally have needed to apply to the OPM secretary using a form he sets. The secretary then would make recommendations to the agency that administers or manages the funding. If the funding type is permitted to be prioritized, and the municipality was eligible for the funding, the agency generally could give these municipalities priority status over other applicants.

Additionally, the act would have required administering agencies to give higher priority for discretionary funding to TOCs with a transit-oriented district located in an activity zone as designated in the state Plan of Conservation and Development for 2025-2030. In other words, it would have required agencies to prioritize TOCs in which the district is in an activity zone above other TOCs as well as municipalities that are not TOCs.

The act specified that it did not make any municipalities ineligible for discretionary funding, even if they are not eligible for prioritized funding.

*Bonus Funding.* The act would have made TOCs eligible for additional funding under any program the OPM secretary administers if the TOC adopted additional zoning criteria (in addition to meeting all other TOC requirements discussed below), including (1) higher density development, (2) requiring greater housing

unit affordability than what the act specifically required in certain larger proposed developments, (3) developing public land or public housing, (4) implementing programs to encourage homeownership, and (5) other criteria the OPM secretary set.

*Qualifying as a TOC*

A municipality would generally have become a TOC by establishing a transit-oriented district meeting certain requirements the act established, as described below. These requirements were generally aimed at enabling varied housing types to be developed near transit stations. The act also would have restricted the regulations a municipality could adopt for its districts.

The OPM secretary, or his designee, would have determined a municipality's compliance with the act's eligibility requirements. (The OPM secretary could delegate this and his other TOC-related authority under the act to a designee.) To help a municipality adopt a conforming district, OPM could give (1) technical assistance on adopting regulations that substantially comply with OPM's guidelines, described below, or (2) an interpretation or written guidance on whether a municipality's regulations conform to the statute under which most municipalities exercise zoning powers (CGS § 8-2).

The secretary would have been able to waive certain requirements by granting an exemption (see below), but could not impose requirements additional to those in the act and CGS § 8-2.

The act specified that the secretary could not deem a municipality a qualifying TOC without its consent.

*Transit-Oriented Districts*. Under the act, a "transit-oriented district" is an area the municipality designates that is subject to zoning criteria designed to encourage increased development density (including mixed-use development) and a concentration of discretionary state investments.

TOCs are municipalities that have adopted a reasonably sized, as determined by the OPM secretary, transit-oriented district containing at least one of the following:

1. a regular bus service station (i.e. a bus stop with a bus stopping at least every 60 minutes during peak hours) operating no less than five days per week or
2. a rapid transit station or a planned station (i.e. any public transportation station serving any rail or rapid bus route).

Additionally, the district had to (1) encompass all the land within a one-half mile radius of these stations or (2) be located within a reasonable distance, as determined by the OPM secretary, of any other transit service, a commercial corridor, or the municipality's downtown area (i.e. a central business district or other commercial area that, among other things, serves as a center of socioeconomic interaction).

To qualify as a TOC, a municipality's transit-oriented district had to be a reasonable size. Under the act, the OPM secretary, in consultation with the zoning commission, was responsible for determining whether a district meets this requirement. To do so, the secretary had to (1) determine whether the area could

equitably support greater development density, based on the municipality's geographic characteristics, and (2) consider the municipality's and region's housing needs.

When making his determination, the OPM secretary could not require the following land types to be included in the transit-oriented district:

1. special flood hazard areas on the National Flood Insurance Program's flood insurance rate map;
2. inland wetlands, as defined in state law;
3. existing or planned public park land;
4. land subject to conservation or preservation restrictions (e.g., an easement);
5. coastal resources protected by the Coastal Management Act;
6. areas needed to protect drinking water supplies; and
7. areas likely to be inundated during a 30-year flood event, as shown in the sea level change scenarios UConn's Marine Sciences Division publishes.

The zoning commission could consult with any town agency to determine whether the district is a reasonable size.

A municipality's zoning commission had to consult with its inland wetlands agency when establishing the district's boundaries. If a proposed activity in the district could qualify as a "regulated activity" under state law (e.g., filling or obstructing wetlands or watercourses), the commission had to collaborate with the agency to determine whether it requires a permit.

*Requirements for Developments in TOCs*

*As-of-Right Developments.* Qualifying TOCs would have had to allow the following developments as of right (after an inland wetlands public hearing, if one is required) in the district:

1. middle housing developments with up to nine units;
2. developments with 10 or more units, at least 30% of which qualify as a § 8-30g set-aside development (see *Background*); and
3. developments, with any number of units, if they are (a) built on land owned by the municipality, the state, the local public housing authority, a nonprofit, or a religious organization and (b) deed-restricted for at least 40 years to preserve them as units priced affordably for renters or buyers earning 60% or less of the lesser of the federally determined state or area median income (SMI or AMI) (i.e. for which these households would pay no more than 30% of their annual income).

Under the act, "middle housing developments" generally are duplexes, triplexes, townhomes, and perfect sixes (three-story buildings with two units per story).

The act additionally specified that municipalities must, within a district, allow existing residential or commercial properties to be converted into any of the above-listed developments (and allowed as of right).

*Accessory Apartments Allowed.* Under the act, a person who owns real property in a transit-oriented district, and has owned property in the municipality for at least three years, could have built an accessory apartment as of right on his or her

property.

These property owners could have done so even if the municipality voted to opt out of the state law generally allowing accessory apartments as of right on lots with single-family homes in all municipalities. Under the act, the accessory apartment would have had to comply with any structural or architectural zoning requirements adopted pursuant to CGS § 8-2, which is the law most municipalities exercise zoning authority under.

Under existing law, an "accessory apartment" is a separate dwelling unit that (1) is located on the same lot as a principal dwelling unit of greater square footage; (2) has cooking facilities; and (3) complies with or is otherwise exempt from any applicable building code, fire code, and health and safety regulations (CGS § 8-1a).

*Required Set-Asides.* TOCs would have had to require developers proposing developments with 10 or more units (unless allowed as of right as described above) to either (1) deed-restrict a certain percentage of the units for 40 years after initial occupancy (see the table below) so they are affordable for renters or buyers earning no more than 60% of the lesser of the SMI or AMI or (2) enter into a contribution agreement.

Under the act, the percentage of units that a developer would have had to deed-restrict (set aside) varied with the strength of the area's housing market and its quality of life ("opportunity"), as determined by the Connecticut Housing Finance Authority's (CHFA's) most recent Housing Needs Assessment. The table below shows the classifications and corresponding percentages of units that would have had to be restricted under the act.

**Deed-Restriction Requirements**

| *CHFA's Census Tract Designation* | *Restricted Units* |
|---|---|
| High Opportunity/Heating Market | 10% |
| High Opportunity/Cooling Market | 10% |
| Low Opportunity/Cooling Market | 5% |

*District Guidelines Adopted in Consultation With Interagency Housing Development Council*

The secretary, in consultation with the interagency council on housing development (see below), would have had to develop guidelines on TOC districts. The guidelines would have had to at least address:

1. prioritizing mixed-use and mixed-income developments;
2. increasing affordable housing availability;
3. ensuring appropriate environmental considerations are made, with an emphasis on analyzing potential impacts on environmental justice communities (as defined in state law);
4. increasing (a) ridership of mass transit systems and (b) the feasibility of walking, biking, and other means of mobility other than motor vehicle travel;
5. reducing the need for motor vehicle travel;

6. maximizing the availability of developable land;
7. increasing the economic viability of development projects;
8. reducing the length of time needed to approve development applications;
9. lot size, lot coverage, setback requirements, floor area ratio, and height restrictions; and
10. inclusionary zoning requirements.

The act specified that the guidelines could include model ordinances, regulations, or bylaws for municipalities exercising zoning powers under CGS § 8-2.

*Substantial Compliance Requirement and Exemptions.* The act would have generally prohibited TOCs from adopting any regulations for their transit-oriented districts that would not substantially comply with OPM's guidelines on these districts. However, the OPM secretary could approve conflicting regulations, upon a municipality's application, based on factors the application identified. The secretary would have had to make a decision within 60 days after receiving the application and was prohibited from "unreasonably withholding" exemption approvals. If the request was denied, the municipality could opt out of the act's TOC provisions and would have had to return any discretionary infrastructure funding it already received.

*Qualifying by Resolution*

Under the act, a municipality that was not a qualifying TOC would still have been eligible for prioritized discretionary funding if its legislative body adopted a resolution stating it intended to enact zoning regulations enabling it to qualify. It would have had to actually enact the regulations within 18 months after adopting the resolution. A municipality that failed to do so would have had to return any prioritized discretionary funding it received, unless the OPM secretary granted an extension at his discretion, and would also have been ineligible for additional prioritized funding until it enacted these zoning regulations.

*Qualifying by Establishing a District by October 1, 2025*

The act would have made any municipality that adopted a transit-oriented district by October 1, 2025, eligible for discretionary infrastructure funding on a priority basis for developments within the district. The municipality did not need to qualify as a TOC.

*Qualifying Transit-Adjacent Communities*

The act would have allowed certain municipalities to request, by resolution of their legislative bodies, that the ORG coordinator deem them qualifying transit-adjacent communities, after they adopted a transit-oriented district that met the requirements applicable to TOCs as described above.

Specifically, a qualifying transit-adjacent community would have had to (1) lack a rapid transit station, (2) border a municipality that has one or more rapid

transit stations or regular bus service stations, and (3) create a transit-oriented district in or adjacent to a downtown area in its jurisdiction. The community could not be a TOC.

If the ORG coordinator deemed it a qualifying transit-adjacent community, it would have been entitled to any discretionary infrastructure funding available to TOCs on a priority basis.

*Background — As-of-Right Developments*

For the laws on zoning, an "as-of-right development" is a development that may be approved without requiring (1) a public hearing; (2) a variance, special permit, or special exception; or (3) other discretionary zoning action, other than a determination that a site plan conforms with applicable zoning regulations (CGS § 8-1a).

*Background — § 8-30g Set-Aside Development*

Under the affordable housing land use appeals procedure (referred to as "§ 8-30g"), a set-aside development is a development in which at least 30% of the units are deed-restricted for at least 40 years after initial occupancy. Specifically, at least (1) 15% of the units must be deed-restricted to households earning 60% or less of the AMI or SMI, whichever is less, and (2) 15% of the units must be deed-restricted to households earning 80% or less of the AMI or SMI, whichever is less.

## § 21 — INTERAGENCY COUNCIL ON HOUSING DEVELOPMENT

*Would have established an interagency council on housing development to, among other things, review whether discretionary state grant programs adhere to the state Plan of Conservation and Development's goals and create guidelines for transit-oriented districts*

The act would have established an interagency housing development council to advise the ORG coordinator and help her review regulations, develop guidelines, and establish programs on transit-oriented districts to support responsible housing growth in the state.

EFFECTIVE DATE: Upon passage

*Purpose*

The council would have had to first meet by July 1, 2025, and then at least every six months, to:

1. evaluate state and quasi-public agencies' plans, programs, regulations, and policies for opportunities to combine their efforts and resources to increase housing development;
2. develop methods to consistently report and document housing development data;
3. develop approaches to housing growth that balance conservation needs (e.g., natural resources protection) and development needs (e.g., housing,

economic growth, and infrastructure);
4. review whether discretionary state grant programs adhere to the state Plan of Conservation and Development's goals and make recommendations to agencies and quasi-public agencies, including on ways to increase deed-restricted developments in transit-oriented districts and middle housing; and
5. create guidelines, in consultation with the OPM secretary and as described above, on adopting and developing transit-oriented districts within TOCs (e.g., prioritizing mixed-use and mixed-income developments and reducing the need for motor vehicle travel).

*Reporting Requirements*

Beginning by October 1, 2026, the council would have had to annually submit its recommendations to the Housing and Planning and Development committees. By the same date, the council would also have to submit its recommendations on the above-listed items 4 and 5 (including its district guidelines) to these legislative committees and post this information on OPM's website.

*Members*

In addition to the ORG coordinator (who would serve as the chairperson) and any ad hoc members she determined were needed, the council would have consisted of the following ex officio members or their designees:
1. OPM secretary,
2. DOH commissioner,
3. Department of Economic and Community Development commissioner,
4. Department of Energy and Environmental Protection commissioner,
5. Department of Public Health commissioner,
6. Department of Transportation commissioner,
7. Municipal Development Authority chief executive officer, and
8. CHFA chief executive officer.

## § 22 — OPM GRANT PROGRAM FOR COGS

*Would have allowed OPM to establish a grant program for COGs to support certain transit and pedestrian infrastructure projects*

The act would have allowed the OPM secretary to establish, within available funding, a program awarding grants to COGs for public transit, bicycle, or pedestrian infrastructure projects.
EFFECTIVE DATE: October 1, 2025

## § 23 — TRANSIT-ORIENTED DISTRICTS QUALIFY AS HOUSING GROWTH ZONES

*Would have made transit-oriented districts, as established under the act, qualify as housing growth zones under the Connecticut Municipal Development Authority law*

The act would have made transit-oriented districts, as established under the act, housing growth zones under the Connecticut Municipal Development Authority. Under existing law, municipalities cannot receive certain financial assistance from the authority until they enact approved housing growth zone regulations.
EFFECTIVE DATE: October 1, 2025

*Background — Housing Growth Zones*

The Connecticut Municipal Development Authority is a quasi-public agency authorized to stimulate economic development and transit-oriented development, including by giving financial support and technical assistance to municipalities to develop "housing growth zones." These are areas around a central business district or passenger transit station in which local zoning regulations facilitate substantial new housing development (CGS § 8-169hh et seq.).

## § 26 — STATE-WIDE WASTEWATER CAPACITY STUDY

*Would have required the OPM secretary to study wastewater capacity in the state, including identifying areas underserved by wastewater infrastructure*

The act would have required the OPM secretary, within available appropriations and in coordination with the interagency council on housing development (see above), to conduct a state-wide wastewater capacity study. The study would have evaluated publicly and privately owned wastewater infrastructure's capacity, flows, physical conditions, regulatory compliance, and vulnerabilities to natural hazards.

In conducting the study, the secretary would have been required to identify (1) areas "underserved" by wastewater infrastructure and (2) existing wastewater capacity limitations. He would also have had to make recommendations for efficient investments in wastewater infrastructure to support housing and economic development while protecting public and environmental health.

The act would have required the secretary to submit the report to the Commerce, Environment, Housing, and Planning and Development committees by July 1, 2026. The secretary would also have had to submit it to the members of the interagency council on housing development.
EFFECTIVE DATE: Upon passage

## § 27 — AFFORDABLE HOUSING PROGRAM FOR CONSTRUCTION INDUSTRY EMPLOYMENT

*Would have required DOH to create a program that funds proposed affordable housing development projects creating employment opportunities in the construction industry and meeting certain affordability requirements*

The act would have required DOH, within available bond authorizations (see *Background — Related Act*), to develop and administer a program that funds

proposed affordable housing development projects creating employment opportunities in the construction industry. It also would have (1) required DOH to set criteria for awards and (2) set related housing affordability requirements.

Under the act, beginning July 1, 2026, eligible project sponsors would have been able to apply, as prescribed by DOH, to receive program funding for a proposed project.

EFFECTIVE DATE: January 1, 2026

*Criteria for Awarding Funds*

The act would have required DOH to set criteria for awarding funds, which at a minimum required the following:

1. the applicant to secure co-investment funding from a union pension fund (or comingled fund of union pension fund investments) with a demonstrated record of successful investment in affordable housing construction,
2. the proposed project to be covered by a project labor agreement, and
3. the applicant to be committed to workforce training by following state-registered apprenticeship standards and apprenticeship readiness programs.

Under the act, DOH would not have been able to approve financing for a proposed project later than three years after the department was allocated funds for the program.

*Affordability Requirements*

The act would have required all housing built with program funding to have affordability restrictions (i.e. deed restrictions) that apply for at least 40 years and limit occupancy to households earning up to 80% of the median income, or other means DOH selects. These affordability restrictions would have had to require the housing to be sold or rented at a price that is not more than 30% of an eligible household's income.

*Background — Related Act*

The bond act (PA 25-174, § 117) authorizes up to $50 million in GO bonds over four years for DOH to finance projects to create employment opportunities in the construction industry by developing affordable housing.

## § 28 — MUNICIPALITIES THAT MUST HAVE A FAIR RENT COMMISSION

*Would have (1) required municipalities with a population of at least 15,000 to create a fair rent commission or join a joint or regional commission and (2) allowed two or more contiguous municipalities to form a joint commission and COGs to establish regional commissions*

The act would have required the legislative body of municipalities (i.e. towns, cities, or consolidated towns and cities) with a population of at least 15,000, by January 1, 2028, to adopt an ordinance creating a fair rent commission, establishing or joining a joint fair rent commission, or joining a regional fair rent commission

(see *Background — Fair Rent Commissions*). It also would have allowed other municipalities below this population threshold to do so. Existing law (1) required all municipalities (i.e. towns, cities, or boroughs) with a population of at least 25,000 to have a commission by July 1, 2023, and (2) allows others to have them.

Under the act, two or more contiguous municipalities could have formed a joint fair rent commission by adopting concurrent ordinances through their legislative bodies. Existing law (1) limits this option only to municipalities under the population threshold discussed above and (2) does not require that the municipalities be contiguous. The act would have specified that a municipality contiguous to a joint fair rent commission member municipality could join the joint commission by adopting an ordinance through its legislative body. Relatedly, it would have allowed a municipality to leave a joint commission by vote of its legislative body, as long as the withdrawing municipality created its own fair rent commission or joined another joint or regional fair rent commission according to the act's requirements.

The act also would have allowed (1) a COG to establish a regional fair rent commission and (2) any municipalities that are members of the COG to join the regional commission by adopting an ordinance through their legislative body. It would have required regional commissions to set the way in which complaints are submitted to it. Additionally, under the act, a party to a pending regional commission matter would have been able to request that the commission conduct any meeting (or portion of a meeting) virtually (i.e. using any technology that facilitates real-time public access to meetings) if the party's attendance was required. Regional commissions would have had to do so in conjunction with an in-person meeting.

The act would have prohibited municipalities that had to establish a fair rent commission and had done so before July 1, 2025, from abolishing their commission before January 1, 2028, unless the municipality joined a joint or regional fair rent commission.

Existing law requires a municipality's chief executive officer to notify DOH that the municipality has established a fair rent commission and send the department a copy of its ordinance within 30 days after it is adopted. The act would have specified that these requirements also apply to municipalities that joined joint or regional commissions.

EFFECTIVE DATE: July 1, 2025

*Background — Fair Rent Commissions*

By law, fair rent commissions are generally empowered to (1) control and eliminate excessive (i.e. harsh and unconscionable) rental charges and (2) enforce landlord-tenant statutes prohibiting landlord retaliation and establishing eviction protections for certain protected tenants. Among other things, commissions may receive rent complaints and hold hearings on them (CGS § 7-148b et seq.).

*Background — Related Act*

PA 25-121 requires any municipality that creates a fair rent commission to post on its website a publicly accessible copy of the commission's adopted bylaws. It also specifies that commission hearings must be open to the public.

## § 29 — CHFA SMART RATE PILOT INTEREST RATE REDUCTION PROGRAM

*Would have required CHFA to expand its Smart Rate Pilot Interest Rate Reduction Program to provide benefits to additional eligible mortgage borrowers*

The act would have required CHFA to expand its Smart Rate Pilot Interest Rate Reduction ("Smart Rate") Program to provide benefits to additional eligible mortgage borrowers. CHFA would have had to do so as part of its homeownership loan program and within resources allocated to DOH by the State Bond Commission for this program.

CHFA's Smart Rate program offers eligible mortgage borrowers an additional interest rate reduction of 1.125%. To be eligible, borrowers must, among other requirements, (1) have combined student loan debt with an unpaid principal balance of at least $15,000; (2) be a first-time homebuyer or have not owned a home in the past three years, unless purchasing in certain targeted areas; and (3) meet certain income and sales price limitations.

EFFECTIVE DATE: July 1, 2025

## §§ 30-32 — ONLINE RENTAL PAYMENT SYSTEMS AND EVICTIONS

*Would have (1) prohibited residential landlords from starting an eviction proceeding for nonpayment of rent if their online rental payment system prevented the tenant from paying his or her rent during the applicable grace period and (2) extended these grace periods by an additional five days if an online rental payment system prevented a tenant's timely rent payment*

The act would have prohibited residential landlords from starting an eviction proceeding for nonpayment of rent if their online rental payment system prevented the tenant from paying his or her rent during the law's grace periods, which the act would have extended under these circumstances.

Existing law allows a landlord (i.e. owner or lessor) or his or her legal representative or attorney to start an eviction proceeding by serving a notice to quit possession when a residential tenant does not pay his or her rent within a nine-day grace period beginning the day after rent is due. This grace period also generally applies to residents of mobile manufactured home parks. (The grace period is four days for one-week tenancies.) The act would have extended these grace periods for an additional five days if a landlord's online rental payment system prevented a tenant's timely rent payment.

EFFECTIVE DATE: July 1, 2025

*Background — Related Act*

PA 25-168, § 459, modifies the above provision on grace period extension by

specifying that the extension only applies to the applicable week or month that was the subject of the nonpayment. PA 25-49 was vetoed, and, as a result, this section of PA 25-168 has no legal effect.

## § 33 — ELEVATOR INSPECTIONS

*Would have required privately owned multifamily housing projects to have their elevators inspected at least once every 12 months by a DAS elevator inspector*

The act would have required all "privately owned multifamily housing projects" to have their elevators inspected at least once every 12 months by a Department of Administrative Services (DAS) elevator inspector. Following each inspection, the inspector would have been required to submit a report to the state building inspector describing the status of (1) each elevator on the premises and (2) any ongoing elevator repair, including how long any elevator is expected to remain inoperable.

A privately owned multifamily housing project is a property that is at least 15 stories tall, contains age-restricted dwelling units, and is subject to a mortgage insured under the National Housing Act (12 U.S.C. § 1701 et seq.).

Under existing law, elevators and escalators generally must be inspected at least once every 18 months and their operation certificates must be renewed every two years; however, elevators located in private residences are exempt from these requirements and instead must be inspected at the owner's request.

EFFECTIVE DATE: October 1, 2025

*Background — Related Act*

PA 25-108, § 3, prohibits DAS from renewing an operation certificate for elevators or escalators that were deemed unfit for operation during the most recent inspection or are the subject of any outstanding violation of applicable law.

## §§ 34 & 37-39 — DIFFERENT MORATORIUM THRESHOLD AFTER ADOPTING PRIORITY HOUSING DEVELOPMENT ZONE

*Would have created an alternative standard for a municipality to qualify for a moratorium under CGS § 8-30g if it created an overlay zone meeting specific requirements*

The act would have created an alternative standard for a municipality to qualify for a temporary suspension of the affordable housing land use appeals procedure (i.e. CGS § 8-30g). Under existing law, a municipality qualifies for this temporary suspension (i.e. moratorium) each time it shows it has added a certain amount of affordable housing units over the applicable period (see *Background — § 8-30g*). Under the act, if a municipality adopted zoning regulations creating an overlay zone meeting specific requirements, a lower moratorium threshold would have generally applied. The act designated these zones "priority housing development zones" (hereinafter priority zones).

Among other requirements, the priority zone would have had to (1) cover at least 10% of the municipality's developable land and (2) allow specific minimum

housing densities and multifamily housing development as-of-right. The act would have made the housing commissioner responsible for reviewing these priority zones for conformity with the act's requirements and approving them through letters of eligibility.

The act specified that its provisions on the required content of priority zone regulations must not be construed to affect the power of local zoning commissions, or the body exercising zoning authority, to adopt or amend regulations under their statutory or special act powers.

EFFECTIVE DATE: July 1, 2025

*Reduced Moratorium Threshold*

Under the act, municipalities that adopt a commissioner-approved priority zone generally would have qualified for a § 8-30g moratorium under a lower threshold than existing law sets (i.e. after adding less affordable housing stock, generally). But they would have been eligible for one only if, when they applied for the moratorium, the commissioner determined that they complied with the requirements in the final letter of eligibility (see below).

By law, a municipality is eligible for a moratorium each time it shows it has added a certain amount of affordable housing units over the applicable period, measured in housing unit equivalent (HUE) points. A moratorium typically lasts four years, except that municipalities with at least 20,000 dwelling units are eligible for moratoria lasting for five years if they are applying for a subsequent moratorium (i.e. they previously qualified for a moratorium) and have adopted an affordable housing plan.

In addition to showing existing law's moratorium thresholds, the table below shows the act's reduced threshold for municipalities that adopt an approved priority zone. The act would not have changed the threshold applicable to certain larger municipalities with an affordable housing plan applying for a subsequent moratorium, even if they adopted a priority zone.

**Moratorium Eligibility Thresholds**

| | ***Existing Law's Requirements for Added Housing Units, Measured in HUE Points*** | ***Requirements for Municipalities That Adopt a Priority Zone as Provided by the Act, Measured in HUE Points*** |
|---|---|---|
| **Generally Applicable Moratorium Threshold** | Greater of 2% of the housing stock, as of the last decennial census, or 75 HUE points | Greater of 1.75% of the housing stock, as of the last decennial census, or 65 HUE points |
| **Subsequent Moratorium Threshold for Municipalities That Have at Least 20,000 Dwelling Units and Adopt an Affordable Housing Plan** | 1.5% of the housing stock, as of the last decennial census | No change |

*Requirements for Local Zone Adoption*

Regardless of conflicting provisions in a charter or special act, the act would have allowed any municipality that adopted zoning regulations to amend them to establish a priority zone as an overlay zone. The zone could consist of one or more subzones, as long as each subzone and the zone as a whole comply with the act's requirements.

The act specified that any regulation creating a priority zone must:

1. be consistent with CGS § 8-2 (the law most municipalities exercise zoning authority under), including its provisions on varied housing opportunities;
2. ensure the zone is consistent with the state plan of conservation and development and located in an "eligible location" (i.e. within an existing residential or commercial district and suitable for development as a priority zone);
3. allow "multifamily housing" (i.e. buildings with three or more residential dwelling units) as of right within the zone, generally subject to minimum density requirements the act would have established (see below);
4. ensure the zone encompasses at least 10% of the municipality's total developable land (see below); and
5. be likely to substantially increase the production of new dwelling units needed to meet housing needs within the zone (as determined by the housing commissioner).

The act would have specifically allowed a municipality's zoning commission (or body exercising zoning authority) to:

1. modify, waive, or eliminate dimensional standards applicable to any underlying zone in order to support the minimum or desired densities, mix of uses, or physical compatibility in the priority zone (e.g., building height, setbacks, lot coverage, parking ratios, and road design standards);
2. in a priority zone, allow for a mix of business, commercial, or other nonresidential uses within a single zone or for the separation of these uses into one or more subzones, if (a) the zone as a whole complies with the act's requirements and (b) the uses are consistent with as-of-right residential development and the densities the act specified; and
3. overlay the priority zone over all or part of an existing historic district.

*Minimum Density Requirements*

Under the act, the following minimum housing densities would have had to have been allowed in a priority zone, per acre of developable land:

1. four units per acre for single-family detached housing,
2. six units per acre for duplexes or "townhouse housing" (i.e. a residential building constructed in a group of at least three attached single-family dwelling units in which each unit extends from foundation to roof and has exterior walls on at least two sides), and
3. 10 units per acre for multifamily housing.

The act specified that municipalities (1) may only subject these minimum densities to site plan or subdivision procedures, submission requirements, and approval standards and (2) cannot subject them to special permit or special exception procedures, requirements, or standards.

*Developable Land Defined*

Under the act, "developable land" is the area within the boundaries of an approved priority zone that can feasibly be developed into residential uses consistent with the act. It excludes:

1. land already committed to a public use or purpose, whether publicly or privately owned;
2. existing "open space" (i.e. land or a permanent interest in land that is used for or satisfies at least one of the criteria listed in an existing law on grants for acquiring open space and watershed land), parks, and recreation areas dedicated to the public or subject to a recorded conservation easement;
3. land otherwise subject to an enforceable restriction or prohibition on development;
4. wetlands or watercourses (as defined under state law); and
5. areas of at least a half acre of contiguous land that are unsuitable for development due to topographic features, such as steep slopes.

*Parameters for Establishing New Historic Districts*

The act specified that a municipality may establish a historic district within an approved priority zone. Municipalities would have had to notify the commissioner about new districts within seven days (see below). If the district's requirements or regulations would render the approved priority zone out of compliance with the act's requirements, the commissioner would have had to (1) deny or revoke a preliminary or final letter of eligibility and (2) deny or revoke a certificate of affordable housing project completion (i.e. the eligibility determination for an § 8-30g moratorium).

*Priority Zone Approval Process*

Once a municipality adopted a priority zone, it would have had to request from the housing commissioner a final letter of eligibility. (The act would have also allowed (1) a municipality to apply for, and the commissioner to issue, a preliminary letter of eligibility, based on its proposed zoning modifications and (2) the commissioner to subsequently issue a final letter of eligibility when the municipality implemented the proposed modifications and met the act's priority zone requirements.)

The commissioner would have been required to review requests within 90 days after receiving them and could approve, reject, or request modifications to them.

If a municipality modified a proposed or adopted priority zone (including creating an overlapping historic district) after applying for or receiving a

preliminary or final letter of eligibility, it would have had to notify the commissioner about the modifications within seven days. The commissioner could have denied or rescinded the letter if the changes did not comply with the act's requirements.

*Reviewing Progress in the Zone*

The act would have allowed the housing commissioner, at least a year after providing a final letter of eligibility, to review market conditions in a municipality and the state and, in her discretion, determine whether there were sufficient building permits or other indicators of progress toward constructing dwellings in the zone. If she determined that was not the case, she could rescind a letter of eligibility or current certificate of affordable housing completion.

*Background — § 8-30g*

The affordable housing land use appeals procedure is a set of rules that allows developers to appeal to Superior Court local planning and zoning commission decisions denying affordable housing developments or approving them with costly conditions. In traditional zoning appeals, the developer must convince the court that the commission (i.e. municipality) acted illegally or arbitrarily, or abused its discretion, by rejecting the proposed development. The § 8-30g appeals procedure instead places the burden of proof on the municipality. Only municipalities in which less than 10% of the housing stock is affordable, and that have not qualified for a moratorium, are subject to the procedure.

*Background — Affordable Housing Developments*

By law, an affordable housing development under § 8-30g is "assisted housing" or a "set-aside development." The former is generally certain government-assisted housing or housing occupied by people receiving rental assistance. The latter is a development in which, for at least 40 years after initial occupancy, at least 30% of the units are deed-restricted based on specified household income limits.

*Background — HUE Points*

A municipality is eligible for a moratorium on appeals taken under the § 8-30g procedure each time it shows it has added a certain amount of affordable housing units over the applicable period (since July 1, 1990, for first moratoria), measured in HUE points. Generally, newly built set-aside and assisted housing developments count toward the moratorium, as do units subjected to certain deed restrictions. The table below shows existing law's HUE point allocation by unit type.

**Base and Bonus HUE Points**

| *Unit Type* | | *Base HUE Value (per Unit)* |
|---|---|---|
| Owned or rented market-rate unit in a "set-aside development" | | 0.25 |
| Owned or rented elderly unit restricted to households earning no more than 80% of the median income | | 0.50 |
| Owned family unit restricted to households earning no more than: | 80% of median income | 1.00 |
| | 60% of median income | 1.50 |
| | 40% of median income | 2.00 |
| Rented family unit restricted to households earning no more than: | 80% of median income | 1.50 |
| | 60% of median income | 2.00 |
| | 40% of median income | 2.50 |
| Owned or rented homes in resident-owned mobile manufactured home parks occupied by households earning 80% or less of the median income | | 1.50 |
| Owned or rented homes in resident-owned mobile manufactured home parks occupied by households earning 60% or less of the median income | | 2.00 |
| Owned or rented homes in resident-owned mobile manufactured home parks not otherwise eligible for points | | 0.25 |
| Dwelling units in "middle housing" developed as-of-right (see CGS § 8-1a) | | 0.25 |
| *Unit Type* | | *Bonus HUE Value* |
| Rental family units in a set-aside development, if the developer applied for local approval before July 6, 1995 | | Bonus equal to 22% of the total points awarded to the development |

## § 34 — BONUS MORATORIUM POINTS FOR PROJECTS WITH A NEIGHBORING TOWN'S HOUSING AUTHORITY

*Would have provided a 0.25 point per unit bonus toward a CGS § 8-30g moratorium for units eligible for HUE points under existing law if the unit was constructed by, or in conjunction with, a neighboring municipality's housing authority*

Under existing law, a municipality qualifies for a temporary suspension (i.e. moratorium) of the affordable housing land use appeals procedure (CGS § 8-30g) each time it shows it has added a certain amount of affordable housing units over the applicable period, measured in HUE points. The act would have provided a 0.25 point bonus for units eligible for HUE points under existing law if the unit was constructed by, or in conjunction with, a neighboring municipality's housing authority. (For additional information on HUE points, see §§ 34 & 37-39 *Background — HUE Points*).

EFFECTIVE DATE: July 1, 2025

## § 35 — MAJORITY LEADERS' ROUNDTABLE STUDY

*Would have required the majority leaders' roundtable on affordable housing to study changing the CGS § 8-30g exemption threshold from the percentage of qualifying dwelling units in a municipality to a flat number*

The act would have required the majority leaders' roundtable on affordable housing to review the potential issues and benefits of changing the CGS § 8-30g exemption threshold from the percentage of qualifying dwelling units in a municipality to a flat numerical value. (By law, municipalities are exempt from the § 8-30g appeals procedure if at least 10% of their housing units are affordable, based on certain criteria.)

The act would have required the roundtable to report its findings and recommendations to the Housing Committee by February 1, 2026.

EFFECTIVE DATE: Upon passage

## § 36 — DOH AFFORDABLE HOUSING REAL ESTATE INVESTMENT TRUST PILOT PROGRAM

*Would have required DOH to establish a pilot program awarding grants to entities for acquiring housing units that are subject to long-term affordability deed restrictions and located in certain municipalities*

The act would have required DOH, within available resources (see *Background — Related Act*), to create and administer an Affordable Housing Real Estate Investment Trust pilot program. The program's purpose would have been to award grants to entities for acquiring housing units that are subject to long-term deed restrictions requiring they be maintained as affordable housing. Under the act, these units would have been located in municipalities with populations of at least 130,000 but less than 140,000, based on the most recent federal decennial census (i.e. Stamford and New Haven). Program participation would have been by application, as DOH prescribed.

EFFECTIVE DATE: July 1, 2025

### *Background — Related Act*

The bond act (PA 25-174, § 13) authorizes up to $2 million in GO bonds for an Affordable Housing Real Estate Investment Trust pilot program.

## § 41 — BROADENING PURPOSES OF HEALTHY HOMES FUND

*Would have broadened the purposes for which DOH may use a certain portion of the Healthy Homes Fund*

By law, 15% of the money in the Healthy Homes Fund (i.e. the portion that does not go to the Crumbling Foundations Assistance Fund) is used by DOH for lead removal, remediation, and abatement. The act would have repealed a provision in law that limits the scope of DOH's residential hazard abatement activities under the Healthy Homes Fund to lead, which would have allowed DOH to use the fund

to abate other contaminants or conditions (e.g., radon) affecting dwellings.
EFFECTIVE DATE: July 1, 2025

*Background — Related Act*

PA 25-107 eliminates a provision related to a Healthy Homes Fund assistance program for owner-occupied condominium units in Hamden with structurally deficient foundations.