



OFFICE OF THE FIRST SELECTMAN

Michael R. Criss
First Selectman, Town of Harwinton
INSURANCE & REAL ESTATE COMMITTEE
February 28th, 2023

Good afternoon, my name is Michael R. Criss, I am the First Selectman for the Town of Harwinton and I am submitting testimony regarding S.B. 1113 “An Act Concerning Fair Rent Commissions”.

S.B. 1113 “An Act Concerning Fair Rent Commissions”.

Thank you for the opportunity to comment and submit testimony on proposed bill “An Act Concerning Fair Rent Commissions”. The Town of Harwinton is opposed to S.B.

The Town of Harwinton opposes S.B.1113, “An Act Concerning Fair Rent Commissions’, which mandates that towns, cities, or boroughs with a population of 5,000 or more to create Fair Rent Commissions.

Last year, the Connecticut General Assembly adopted Public Act 22-30 which requires municipalities with a population of 25,000 or more to adopt an ordinance creating a Fair Rent Commission by July 1, 2023. Under the Act, a Fair Rent Commission has the authority to receive and investigate rent complaints, issue subpoenas, hold hearings, and order landlords to reduce rents for specific reasons. According to the Office of Fiscal Analysis, Public Act 22-30 is an unfunded mandate which will impose costs on municipalities. The Town of Harwinton, with our limited population, resources and funds cannot afford any more unfunded mandates.

In addition to the costs associated with the requirement for fair rent commissions to conduct studies and investigations, which may require additional staff and consultants, municipalities will incur costs. Costs such as staffing commissions, holding meetings and hearings, and complying with Freedom of Information requirements. Many small towns do not have staff to conduct studies and investigations and will incur substantial costs to retain consultants and legal counsel to adequately meet the requirements of the bill.

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Moreover, we are concerned that the bill may discourage property owners from making rental properties available, which are in limited demand in our community already, undermining Connecticut's efforts to promote more affordable housing. Rental property owners continue to struggle due to the pandemic given restrictions on collecting rents and evicting tenants that have failed to pay their rent. Fuel costs and building costs have also increased significantly, placing a difficult burden on small and midsize rental property owners; these owners are barely covering their costs and eventually can cause a major foreclosure move triggered by the State's inability to see both sides of the rental market.

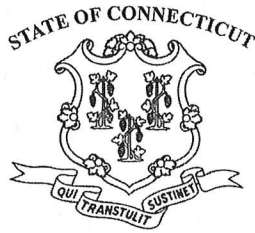
It is premature to expand this mandate to the state's smaller towns without determining what the fiscal impact has been on towns with a population of 25,000 or more and whether such commissions are necessary. Harwinton does not believe that more State involvement will fix any problems rather create more and eventually a housing collapse.

Harwinton urges lawmakers to reject this bill, and instead, support efforts to assist municipalities in meeting the requirements of the bill adopted last year.

Michael R. Criss
First Selectman, Town of Harwinton
Vice Chair, Northwest Hills Council of Governments
Legislative Chair, Northwest Hills Council of Governments

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General Assembly

January Session, 2023

Raised Bill No. 1113

LCO No. 4070

04070 _____ INS

Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING FAIR RENT COMMISSIONS.

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

Section 1. Section 7-148b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

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

(b) Any town, city or borough may, and any town, city or borough with a population of [twenty-five] five thousand or more, as determined by the most recent decennial census, shall, through its legislative body, adopt an ordinance that creates a fair rent commission. Any such commission shall make studies and investigations, conduct hearings and receive complaints relative to rental charges on housing accommodations, except those accommodations rented on a seasonal

basis, within its jurisdiction, which term shall include mobile manufactured homes and mobile manufactured home park lots, in order to control and eliminate excessive rental charges on such accommodations, and to carry out the provisions of sections 7-148b to 7-148f, inclusive, section 47a-20 and subsection (b) of section 47a-23c. The commission, for such purposes, may compel the attendance of persons at hearings, issue subpoenas and administer oaths, issue orders and continue, review, amend, terminate or suspend any of its orders and decisions. The commission may be empowered to retain legal counsel to advise it.

(c) Any town, city or borough required to create a fair rent commission pursuant to subsection (b) of this section shall adopt an ordinance creating such commission on or before July 1, ~~[2023]~~ 2024. Not later than thirty days after the adoption of such ordinance, the chief executive officer of such town, city or borough shall (1) notify the Commissioner of Housing that such commission has been created, and (2) transmit a copy of the ordinance adopted by the town, city or borough to the commissioner.

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

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>October 1, 2023</i>	7-148b
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Statement of Purpose:

To require towns, cities or boroughs with a population of at least five thousand to create fair rent commissions.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]