

STATE OF CONNECTICUT DEPARTMENT OF HOUSING



ANNUAL REPORT

TO

COMMITTEES OF COGNIZANCE

ON

HEALTHY HOMES FUND

In accordance with § 8-466a of the Connecticut General Statutes

January 2023

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Authorizing Legislation

Originally authorized under Public Act 18-160 of the 2018 Regular Session, AN ACT IMPOSING A SURCHARGE ON CERTAIN INSURANCE POLICIES AND ESTABLISHING THE HEALTHY HOMES FUND, and later codified under Connecticut General Statutes § 8-446, this statute stipulates that each year, not later than January 1, 2020, and annually thereafter, the Commissioner of the Department of Housing shall submit an annual report on the program to the joint standing committees of the General Assembly having cognizance of matters relative to housing, planning and development and appropriations and the budget of state agencies, in accordance with section 11-4a of the Connecticut General Statutes ("CGS").

Fund Overview

There is established an account to be known as the "Healthy Homes Fund" which shall be a separate, non-lapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Department of Housing for the purposes of:

- (1) Funding of not more than one million dollars shall be remitted to the Department of Economic and Community Development to be used for grants-in-aid to homeowners with homes located in the immediate vicinity of the West River in the Westville section of New Haven and Woodbridge for structurally damaged homes due to subsidence and to homeowners with homes abutting the Yale Golf Course in the Westville section of New Haven for damage to such homes from water infiltration or structural damage due to subsidence; and
- (2) Funding a program, and any related administrative expense, to reduce health and safety hazards in residential dwellings in Connecticut, including, but not limited to, lead, radon and other contaminants or conditions, through removal, remediation, abatement and other appropriate methods. For purposes of this subdivision, "administrative expense" means any administrative or other cost or expense incurred by the Department of Housing in carrying out the provisions of this section, including, but not limited to the hiring of necessary employees and entering into necessary contracts.

Amending Legislation

This fund was later amended under Public Act 18-179 of the 2018 Regular Session, AN ACT CONCERNING THE WRITTEN RESIDENTIAL DISCLOSURE REPORT, THE CAPTIVE INSURANCE COMPANY ESTABLISHED FOR ASSISTING WITH CRUMBLING FOUNDATIONS AND FUNDING FOR LEAD REMOVAL, REMEDIATION AND ABATEMENT, and later codified under Connecticut General Statutes § 8-446a, which requires that all funds expended pursuant to section (2) above be allocated for lead removal, remediation and abatement.

Funding Activity

For the period ending June 30, 2022, the following transactions occurred:

Fiscal Year	DATE	DeptID	Fund	SID	SID Description	Amount	Transaction Description
2022	Various	DOH46915	12060	35676	Healthy Homes Fund	\$14,040,43.47	Multiple Deposits from CID to Healthy Homes FY22
2022	6/23/2022	DOH46915	12060	35677	Crumbling Foundations Assistance Fund	\$12,434,720.95	Grant to CT Foundation Crumbling Foundations Assistance Fund
2022	8/26/2022*	DOH46915	12060	35667	Crumbling Foundations Assistance Fund	-\$500,259.00	Returned Overpayment from CFSIC
2022	Various	DOH46915	12060	35677	Healthy Homes Fund	23,869.14	Administrative Payments
						\$ 4,777,453.88	Balance

Consistent with the statutory requirements, the Department of Housing intends to use these funds to provide lead removal, remediation and abatement in conjunction with the federal Lead Hazard Reduction Grant Program and the DOH Healthy Homes project.

The Department is currently developing plans to issue these funds in the coming fiscal year. Details of any contracts under this initiative will be provided under subsequent reports as they become available.

* Although this activity occurred after June 30, 2022, it was directly related to the period in question. An overpayment by two (2) insurance companies was identified by CID after the close of the period, resulting in an overpayment to CFSIC. This overpayment was immediately rectified upon identification, and repayment to the respective insurers was made by CID.

Pending Activity

The Department of Housing anticipates a reconciliation of deposits from the Connecticut Insurance Department within thirty days of end of April, 2023 after which, additional funds equal to 85% of the total funds deposited between July 1, 2022 and April 30, 2023, will be remitted to the Connecticut Foundation for Crumbling Foundations Fund.