

# 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 2021

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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 January 1, 2020, there was no activity in this fund.

For the period ending June 30, 2020, the following transactions occurred:

Fiscal Year	DATE	DeptID	Fund	SID	SID Description	Amount	Transaction Description
2020	6/18/2020	DOH46915	12060	35676	Healthy Homes Fund	\$12,472,011	Transfer From CID to Healthy Homes Fund
					•		Grant to CT Foundation Crumbling Foundations
2020	6/24/2020	DOH46915	12060	35677	Healthy Homes Fund	-\$10,601,209	Assistance Fund
2020	6/24/2020	DOH46915	12060	35676	Healthy Homes Fund	-\$1,000,000	Transfer to DECD
						\$870,802	Balance

Consistent with the statutory requirements, the Department of Housing has entered into a contract with the Connecticut Children's Medical Center for the use of 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.

Although none of the \$870,802 balance that is available has been expended from the Healthy Homes Fund, a majority of these funds have been committed by CCMC for activity, and reimbursement of those costs are pending.

Details of these reimbursements will be available with the 2022 Report.

#### **Pending Activity**

The Department of Housing anticipates a reconciliation of deposits from the Connecticut Insurance Department within thirty days of end of April, after which, additional funds equal to 85% of the total funds deposited between July 1, 2020 and April 30, 2021, will be remitted to the Connecticut Foundation for Crumbling Foundations Fund.