

## Testimony on SB 907

## Submitted by Meghan Portfolio, Manager of Research and Analysis

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Thank you for the opportunity to testify on SB 907: An Act Concerning Fair Rent Commissions. My name is Meghan Portfolio, and I am the Manager of Research and Analysis at Yankee Institute.

Last year Governor Ned Lamont signed into law Public Act <u>22-30</u> which forced municipalities having a population of 25,000 or more to create "fair rent commissions" by July 1, 2023.

The commissions were given broad powers to police rent increases, subpoena landlords, and investigate whether proposed hikes are "harsh and unconscionable." SB 907 will lower the threshold to 10,000 residents.

According to the Office of Fiscal Analysis, PA 22-30 is an unfunded state mandate. A municipality that does not have the resources to conduct housing studies or investigations may incur staff or consulting costs to complete these responsibilities. They also noted that municipalities that hold public hearings on housing issues may incur costs related to police overtime to provide security at such hearings.

State law already <u>allows</u> towns and cities to create these commissions, and 18 other towns and cities currently operate them. Besides requiring local taxpayers to fund their operations, the bill would also subject localities to the cost of

potential litigation if landlords should challenge the loosely defined parameters used by commissions.

Yankee Institute asks the committee to **oppose** SB 907. PA 22-30 hasn't even been fully implemented to know if the outcome is positive or negative — or what the fiscal impact will be. Imposing financial burdens on small towns before data is available on the performance of PA 22-30 is irresponsible.

Thank you.