

House Republican Press Release

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GOVERNOR RELL SIGNS LEGISLATION INTO LAW TO MAKE FUNDING AVAILABLE FOR AREA HOUSING PROJECTS



Legislation Co-Sponsored By Rep. Scribner

HARTFORD – On Thursday, July 26, Governor M. Jodi Rell signed legislation into law cosponsored by State Representative David Scribner (R-Brookfield, Bethel) that will make funding available for repairs and rehabilitation certain area housing projects, including several in the greater Danbury area. Public Act 07-234 takes effect this month.

The legislation act requires the Connecticut Housing Finance Authority (CHFA) to use at least 10% of its annual private activity bond allocation for multifamily residential housing in calendar year 2008 and at least 15% in each subsequent year. By law, 60% of the private activity bonds that are issued must be allocated to CHFA. Housing projects in eligible locally for these funds include the Brooks Quarry complex in Brookfield.

“This legislation provides much-needed funds to renovate housing complexes and I am pleased it is now law,” said Rep. Scribner. “Earlier this year, I met with people interested in making improving the Brooks Quarry facility and the funding now available can be used in that regard.”

Private activity bonds (also known as industrial development bonds) are issued by quasi-public authorities and municipalities. They are backed by the credit of private borrowers or pools of borrowers, who pay the bond debt service. Federal law exempts these bonds from federal tax if they are issued for tax-exempt sewage disposal, water, solid waste disposal, or local district heating and cooling facilities; qualified nonprofit corporation projects; manufacturing projects; or as qualified redevelopment bonds for tax-exempt facilities.