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Septic System Repair

Sec. 8-416-1. Definitions

The following definitions apply to Sections 8-416-1 through 8-416-9 of the regulations of Connecticut State Agencies:

- (a) “Commissioner” means the Commissioner of Housing.
 - (b) “Deferred Loan” means a loan made under this program for which repayment shall not become due until the deferred loan recipient transfers the property for which the deferred loan was made.
 - (c) “Department” means the Department of Housing.
 - (d) “Eligible Residential Property” or “Subject Property” means an owner-occupied residential structure consisting of up to two dwelling units in which the subsurface sewage disposal system has been determined to be a nuisance in accordance with the public health code.
 - (e) “Financial Assistance” means a loan or a deferred loan provided to an eligible owner for expenses incurred for repair, replacement or enlargement of a subsurface sewage disposal system.
 - (f) “Handicapped Person” means a person who has been certified by the Social Security Board as being disabled under the federal Social Security Act.
 - (g) “Repair, Replacement or Enlargement” means any activities which cause a subsurface sewage disposal system to comply with local public health codes.
- (Effective March 28, 1989)

Sec. 8-416-2. Program description

- (a) The Commissioner may enter into a contract for financial assistance with any eligible homeowner for costs incurred in the repair, replacement or enlargement of subsurface sewage disposal systems that have been determined to be a nuisance in accordance with the public health code. Financial assistance shall be in the form of a loan or a deferred loan, and shall finance repairs, replacement or enlargement of a subsurface sewage disposal system serving a dwelling containing up to two residential units, provided such homeowner shall reside in at least one unit of such dwelling.
 - (b) Eligible costs under this program include, but are not limited to; appraisals, inspection fees, labor, and materials and other technical and installation expenses, and stabilization of top soil. Landscaping costs are not eligible under this program.
 - (c) Eligible homeowners shall be required to comply with all rules and orders promulgated from time to time by the Commissioner and consistent with the Connecticut General Statutes and these regulations for this program.
- (Effective March 28, 1989)

Sec. 8-416-3. Applicant eligibility

To be eligible to participate in this program, an applicant must:

- (a) Be a resident of the State of Connecticut;
 - (b) Own the subject property and occupy at least one dwelling unit within the subject property; and
 - (c) Have applied for and been refused funds from a lending institution regulated by the laws of this state.
- (Effective March 28, 1989)

Sec. 8-416-4. Application/approval process

- (a) The Commissioner may solicit and/or accept applications for financial assistance from eligible homeowners.

(b) As part of the application and loan approval process, the applicant shall be required to furnish the following:

(1) Evidence of applicant eligibility as defined in Section 8-416-3 above;

(2) Certification from the district or local director of health that the repair, replacement or enlargement is required pursuant to the public health code and is feasible and that the cost is consistent with the cost of similar repairs, replacements or enlargements in the district or municipality;

(3) Two itemized estimates of the cost prepared by subsurface sewage disposal system installers licensed under Section 20-341f of the General Statutes or by registered professional engineers; and

(4) Certification by a lending institution regulated by the laws of this state that a loan for the repair, replacement or enlargement of the system has been denied.

(c) The Commissioner may, from time to time, request additional information from the applicant.

(d) Applications shall be approved or disapproved based upon the factors listed in Sections 8-416-4 (b) and 8-416-4 (c) above, as well as the availability of financial assistance.

(e) If an application is disapproved, the applicant shall be notified in writing of the reason(s) for the disapproval.

(f) If an application is approved, the Commissioner shall notify the applicant, in writing, that the repairs, replacement or enlargement may proceed upon receipt of all local permits and approvals and inform the applicant of the contents and terms of the contract for state financial assistance.

(Effective March 28, 1989)

Sec. 8-416-5. Funding priority

If funds are not available to finance all of the qualified applicants, priority shall be established by the extent to which the loan will be used for low and moderate income persons.

(Effective March 28, 1989)

Sec. 8-416-6. Deferred loan qualifications

A deferred loan is available for an eligible applicant who is handicapped or over 62 years of age. Evidence of eligibility for a deferred loan shall be submitted to and approved by the Commissioner.

(Effective March 28, 1989)

Sec. 8-416-7. Contract for financial assistance

(a) Following application approval, the Commissioner shall request state financial assistance in the form of loans or deferred loans from the State Bond Commission.

(b) Following approval of the State Bond Commission pursuant to the provisions of Section 3-20 of the Connecticut General Statutes, the state, acting by and through the Commissioner, may enter into a contract(s) with an eligible owner(s) for financial assistance in the form of a loan or deferred loan in a principal amount not less than \$1,000.

(c) Such contract shall include, but not be limited to, the amount of the loan or deferred loan to be provided, the term of the contract and the rights and obligations of the parties under the contract.

(d) The term and interest rate of loans and of deferred loans shall be as follows:

(1) The term of a loan shall be for a period not to exceed fifteen years. The term of a deferred loan shall be until such time as the applicant transfers, conveys or

otherwise assigns his/her interest in the property for which the deferred loan was made. The interest rate for loans and for deferred loans shall be determined in accordance with Connecticut General Statutes Section 3-20 (t).

(2) Notwithstanding subdivision (1) above, if an applicant is unable to repay a loan, the Commissioner may, at his discretion, adjust the terms and conditions of the loan to facilitate repayment, but in no case shall the term of the loan exceed thirty years.

(e) A lien shall be filed on all property for which the state has provided a loan or a deferred loan. The Commissioner may subordinate the state's lien if the level of state financial assistance so warrants. The requirement for a lien may be waived if the Commissioner determines that such waiver will be in the best interest of the state.

(Effective March 28, 1989)

Sec. 8-416-8. Compliance

(a) In addition to any state or local health department inspections, the subject property may be inspected by the Commissioner or his representative before, during and after the repairs, replacement or enlargement work is performed to ensure that the work undertaken with the loan is in accordance with the public health code and is at a cost consistent with the loan amount.

(b) At the discretion of the Commissioner, the homeowner shall be required to immediately repay the loan or deferred loan, plus any accrued interest, to the state if:

(1) The homeowner no longer occupies the property;

(2) The homeowner has transferred, conveyed or otherwise assigned his interest in the property; or

(3) all or part of the loan or deferred loan is used for purposes other than eligible repairs, replacement or enlargement costs.

(Effective March 28, 1989)

Sec. 8-416-9. Termination

This program shall terminate on June 1, 1991.

(Effective March 28, 1989)