



Senate

General Assembly

File No. 200

February Session, 2006

Substitute Senate Bill No. 421

Senate, March 29, 2006

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING OFFERS TO PURCHASE SUBDIVISION LOTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 8-25 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2006*):

3 (a) No subdivision of land shall be made until a plan for such
4 subdivision has been approved by the commission. Any person, firm
5 or corporation making any subdivision of land without the approval of
6 the commission shall be fined not more than five hundred dollars for
7 each lot sold or offered for sale or so subdivided. Any plan for
8 subdivision shall, upon approval, or when taken as approved by
9 reason of the failure of the commission to act, be filed or recorded by
10 the applicant in the office of the town clerk within ninety days of the
11 expiration of the appeal period under section 8-8, or in the case of an
12 appeal, within ninety days of the termination of such appeal by
13 dismissal, withdrawal or judgment in favor of the applicant but, if it is
14 a plan for subdivision wholly or partially within a district, it shall be

15 filed in the offices of both the district clerk and the town clerk, and any
16 plan not so filed or recorded within the prescribed time shall become
17 null and void, except that the commission may extend the time for
18 such filing for two additional periods of ninety days and the plan shall
19 remain valid until the expiration of such extended time. All such plans
20 shall be delivered to the applicant for filing or recording not more than
21 thirty days after the time for taking an appeal from the action of the
22 commission has elapsed or not more than thirty days after the date
23 that plans modified in accordance with the commission's approval and
24 that comply with section 7-31 are delivered to the commission,
25 whichever is later, and in the event of an appeal, not more than thirty
26 days after the termination of such appeal by dismissal, withdrawal or
27 judgment in favor of the applicant or not more than thirty days after
28 the date that plans modified in accordance with the commission's
29 approval and that comply with section 7-31 are delivered to the
30 commission, whichever is later. No such plan shall be recorded or filed
31 by the town clerk or district clerk or other officer authorized to record
32 or file plans until its approval has been endorsed thereon by the
33 chairman or secretary of the commission, and the filing or recording of
34 a subdivision plan without such approval shall be void. Before
35 exercising the powers granted in this section, the commission shall
36 adopt regulations covering the subdivision of land. No such
37 regulations shall become effective until after a public hearing held in
38 accordance with the provisions of section 8-7d. Such regulations shall
39 provide that the land to be subdivided shall be of such character that it
40 can be used for building purposes without danger to health or the
41 public safety, that proper provision shall be made for water, sewerage
42 and drainage, including the upgrading of any downstream ditch,
43 culvert or other drainage structure which, through the introduction of
44 additional drainage due to such subdivision, becomes undersized and
45 creates the potential for flooding on a state highway, and, in areas
46 contiguous to brooks, rivers or other bodies of water subject to
47 flooding, including tidal flooding, that proper provision shall be made
48 for protective flood control measures and that the proposed streets are
49 in harmony with existing or proposed principal thoroughfares shown

50 in the plan of conservation and development as described in section 8-
51 23, as amended, especially in regard to safe intersections with such
52 thoroughfares, and so arranged and of such width, as to provide an
53 adequate and convenient system for present and prospective traffic
54 needs. Such regulations shall also provide that the commission may
55 require the provision of open spaces, parks and playgrounds when,
56 and in places, deemed proper by the planning commission, which
57 open spaces, parks and playgrounds shall be shown on the subdivision
58 plan. Such regulations may, with the approval of the commission,
59 authorize the applicant to pay a fee to the municipality or pay a fee to
60 the municipality and transfer land to the municipality in lieu of any
61 requirement to provide open spaces. Such payment or combination of
62 payment and the fair market value of land transferred shall be equal to
63 not more than ten per cent of the fair market value of the land to be
64 subdivided prior to the approval of the subdivision. The fair market
65 value shall be determined by an appraiser jointly selected by the
66 commission and the applicant. A fraction of such payment the
67 numerator of which is one and the denominator of which is the
68 number of approved parcels in the subdivision shall be made at the
69 time of the sale of each approved parcel of land in the subdivision and
70 placed in a fund in accordance with the provisions of section 8-25b.
71 The open space requirements of this section shall not apply if the
72 transfer of all land in a subdivision of less than five parcels is to a
73 parent, child, brother, sister, grandparent, grandchild, aunt, uncle or
74 first cousin for no consideration, or if the subdivision is to contain
75 affordable housing, as defined in section 8-39a, equal to twenty per
76 cent or more of the total housing to be constructed in such subdivision.
77 Such regulations, on and after July 1, 1985, shall provide that proper
78 provision be made for soil erosion and sediment control pursuant to
79 section 22a-329. Such regulations shall not impose conditions and
80 requirements on manufactured homes having as their narrowest
81 dimension twenty-two feet or more and built in accordance with
82 federal manufactured home construction and safety standards or on
83 lots containing such manufactured homes which are substantially
84 different from conditions and requirements imposed on single-family

85 dwellings and lots containing single-family dwellings. Such
86 regulations shall not impose conditions and requirements on
87 developments to be occupied by manufactured homes having as their
88 narrowest dimension twenty-two feet or more and built in accordance
89 with federal manufactured home construction and safety standards
90 which are substantially different from conditions and requirements
91 imposed on multifamily dwellings, lots containing multifamily
92 dwellings, cluster developments or planned unit developments. The
93 commission may also prescribe the extent to which and the manner in
94 which streets shall be graded and improved and public utilities and
95 services provided and, in lieu of the completion of such work and
96 installations previous to the final approval of a plan, the commission
97 may accept a bond in an amount and with surety and conditions
98 satisfactory to it securing to the municipality the actual construction,
99 maintenance and installation of such improvements and utilities
100 within a period specified in the bond. Such regulations may provide,
101 in lieu of the completion of the work and installations above referred
102 to, previous to the final approval of a plan, for an assessment or other
103 method whereby the municipality is put in an assured position to do
104 such work and make such installations at the expense of the owners of
105 the property within the subdivision. Such regulations may provide
106 that in lieu of either the completion of the work or the furnishing of a
107 bond as provided in this section, the commission may authorize the
108 filing of a plan with a conditional approval endorsed thereon. Such
109 approval shall be conditioned on (1) the actual construction,
110 maintenance and installation of any improvements or utilities
111 prescribed by the commission, or (2) the provision of a bond as
112 provided in this section. Upon the occurrence of either of such events,
113 the commission shall cause a final approval to be endorsed thereon in
114 the manner provided by this section. Any such conditional approval
115 shall lapse five years from the date it is granted, provided the
116 applicant may apply for and the commission may, in its discretion,
117 grant a renewal of such conditional approval for an additional period
118 of five years at the end of any five-year period, except that the
119 commission may, by regulation, provide for a shorter period of

120 conditional approval or renewal of such approval. Any person, firm or
121 corporation who, prior to such final approval, sells or offers for sale
122 any lot subdivided pursuant to a conditional approval shall be fined
123 not more than five hundred dollars for each lot sold or offered for sale.
124 Notwithstanding the provisions of this subsection, the listing of any lot
125 for sale with a person licensed under chapter 392 and the activities of
126 such licensee pursuant to such listing, the receipt of an offer to
127 purchase, nonbinding reservation or the execution of a contract for the
128 sale of any lot shall not constitute an offer for sale, provided any such
129 listing, offer, reservation or contract is conditioned upon final approval
130 as required by this section.

131 (b) The regulations adopted under subsection (a) of this section shall
132 also encourage energy-efficient patterns of development and land use,
133 the use of solar and other renewable forms of energy, and energy
134 conservation. The regulations shall require any person submitting a
135 plan for a subdivision to the commission under subsection (a) of this
136 section to demonstrate to the commission that such person has
137 considered, in developing the plan, using passive solar energy
138 techniques which would not significantly increase the cost of the
139 housing to the buyer, after tax credits, subsidies and exemptions. As
140 used in this subsection and section 8-2, passive solar energy techniques
141 mean site design techniques which maximize solar heat gain, minimize
142 heat loss and provide thermal storage within a building during the
143 heating season and minimize heat gain and provide for natural
144 ventilation during the cooling season. The site design techniques shall
145 include, but not be limited to: (1) House orientation; (2) street and lot
146 layout; (3) vegetation; (4) natural and man-made topographical
147 features; and (5) protection of solar access within the development.

148 (c) The regulations adopted under subsection (a) of this section,
149 may, to the extent consistent with soil types, terrain, infrastructure
150 capacity and the plan of development for the community, provide for
151 cluster development, and may provide for incentives for cluster
152 development such as density bonuses, or may require cluster
153 development.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2006	8-25

Statement of Legislative Commissioners:

The phrase "Notwithstanding the provisions of this subsection," was inserted before the new language at the end of subsection (a) for internal consistency.

INS *Joint Favorable Subst.-LCO*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill specifies that if certain activities concerning any lot are contingent on final planning commission approval, such activities do not constitute an offer for sale. There is no fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

**OLR Bill Analysis
SB 421**

***AN ACT CONCERNING OFFERS TO PURCHASE SUBDIVISION
LOTS.***

SUMMARY:

By law, anyone who, sells or offers for sale any lot subdivided pursuant to a conditional approval before receiving final approval for a subdivision from the planning commission is subject to a fine of up to \$500 for each lot sold or offered for sale. The bill specifies that if the following activities concerning any lot are contingent on final planning commission approval, they do not constitute an offer for sale:

1. listing a lot for sale with a licensed broker;
2. the broker's activities pursuant to the listing; and
3. the receipt of an offer to purchase, nonbinding reservation, or the execution of a contract for the sale.

EFFECTIVE DATE: October 1, 2006

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 17 Nay 2 (03/14/2006)