



General Assembly

February Session, 2006

Raised Bill No. 5038

LCO No. 435

00435_____PD_

Referred to Committee on Planning and Development

Introduced by:

(PD)

**AN ACT RESTRICTING THE USE OF EMINENT DOMAIN AND
AUTHORIZING MUNICIPALITIES TO ESTABLISH SEPARATE RATES
OF TAXATION FOR REAL ESTATE.**

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

1 Section 1. Section 8-125 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2006*):

3 As used in this chapter:

4 [(a)] (1) "Redevelopment" means improvement by the rehabilitation
5 or demolition of structures, by the construction of new structures,
6 improvements or facilities, by the location or relocation of streets,
7 parks and utilities, by replanning or by two or more of these methods;

8 [(b)] (2) "Redevelopment area" means an area within the state which
9 is deteriorated, [deteriorating.] substandard or detrimental to the
10 safety, health, morals or welfare of the community. An area may
11 consist partly or wholly of vacant or unimproved land or of land with
12 structures and improvements thereon, and may include structures not
13 in themselves substandard or insanitary which are found to be
14 essential to complete an adequate unit of development, if the

15 redevelopment area is deteriorated, [deteriorating,] substandard or
16 detrimental. [An area may include properties not contiguous to each
17 other.] An area may include all or part of the territorial limits of any
18 fire district, sewer district, fire and sewer district, lighting district,
19 village, beach or improvement association or any other district or
20 association, wholly within a town and having the power to make
21 appropriations or to levy taxes, whether or not such entity is chartered
22 by the General Assembly;

23 [(c)] (3) A "redevelopment plan" [shall include: (1)] means a plan
24 that includes: (A) A description of the redevelopment area and the
25 condition, type and use of the structures therein; [(2)] (B) the location
26 and extent of the land uses proposed for and within the area, such as
27 housing, recreation, business, industry, schools, civic activities, open
28 spaces or other categories of public and private uses; [(3)] (C) a
29 determination that the proposed land use for each property is for a
30 public use or for economic development; (D) the location and extent of
31 streets and other public utilities, facilities and works within the area;
32 [(4)] (E) schedules showing the number of families displaced by the
33 proposed improvement, the method of temporary relocation of such
34 families and the availability of sufficient suitable living
35 accommodations at prices and rentals within the financial reach of
36 such families and located within a reasonable distance of the area from
37 which they are displaced; [(5)] (F) present and proposed zoning
38 regulations in the redevelopment area; [(6)] and (G) any other detail
39 including financial aspects of redevelopment which, in the judgment
40 of the redevelopment agency authorized herein, is necessary to give it
41 adequate information;

42 [(d)] (4) "Planning agency" means the existing city or town plan
43 commission or, if such agency does not exist or is not created, the
44 legislative body or agency designated by it;

45 [(e)] (5) "Redeveloper" means any individual, group of individuals
46 or corporation or any municipality or other public agency including

47 any housing authority established pursuant to chapter 128;

48 [(f)] (6) "Real property" means land, subterranean or subsurface
49 rights, structures, any and all easements, air rights and franchises and
50 every estate, right or interest therein;

51 (7) "Public use" means (A) possession, occupation and enjoyment of
52 land by the general public or by a public agency, department or
53 institution for a public purpose or to provide public services; (B) the
54 use of land for the creation or operation of public utilities; and (C) the
55 acquisition of real property to correct a specific harm from the use of
56 such land on the date of acquisition, including (i) the removal of a
57 public nuisance or structures that are irreparable or unfit for human
58 habitation or use, and (ii) the acquisition of abandoned property; and

59 (8) "Economic development" means any land use that increases tax
60 revenues, the tax base, employment or general economic health and
61 does not result in (A) the transfer of land to public ownership, (B) the
62 transfer of land to a railroad, (C) the transfer of property to a private
63 entity when eminent domain will remove a threat to public health or
64 safety such as public nuisances or structures that are beyond repair or
65 unfit for human habitation or use, (D) the acquisition of abandoned
66 property, or (E) the lease of property to private entities for an
67 accessory use in a public project. "Economic development" includes,
68 but is not limited to, an industrial purpose or a business purpose, as
69 defined in section 8-187, as amended by this act.

70 Sec. 2. Section 8-127 of the general statutes is repealed and the
71 following is substituted in lieu thereof (*Effective October 1, 2006*):

72 The redevelopment agency may prepare, or cause to be prepared, a
73 redevelopment plan and any redeveloper may submit a
74 redevelopment plan to the redevelopment agency, and such agency
75 shall immediately transmit such plan to the planning agency of the
76 municipality for its study. The planning agency may make a
77 comprehensive or general plan of the entire municipality as a guide in

78 the more detailed and precise planning of redevelopment areas. Such
79 plan and any modifications and extensions thereof shall show the
80 location of proposed redevelopment areas and the general location and
81 extent of use of land for housing, business, industry, communications
82 and transportation, recreation, public buildings and such other public
83 and private uses as are deemed by the planning agency essential to the
84 purpose of redevelopment. Appropriations by the municipality of any
85 amount necessary are authorized to enable the planning agency to
86 make such comprehensive or general plan. The redevelopment agency
87 shall request the written opinion of the planning agency on all
88 redevelopment plans prior to approving such redevelopment plans.
89 Before approving any redevelopment plan, the redevelopment agency
90 shall hold a public hearing thereon, notice of which shall be published
91 at least twice in a newspaper of general circulation in the municipality,
92 the first publication of notice to be not less than two weeks before the
93 date set for the hearing. At least thirty-five days prior to the public
94 hearing the redevelopment agency shall post the draft plan on the
95 Internet web site of the redevelopment agency, if any. The
96 redevelopment agency may approve any such redevelopment plan if,
97 following such hearing, it finds that: [(a)] (1) The area in which the
98 proposed redevelopment is to be located is a redevelopment area; [(b)]
99 (2) the carrying out of the redevelopment plan will result in materially
100 improving conditions in such area; [(c)] (3) sufficient living
101 accommodations are available within a reasonable distance of such
102 area or are provided for in the redevelopment plan for families
103 displaced by the proposed improvement, at prices or rentals within the
104 financial reach of such families; and [(d)] (4) the redevelopment plan is
105 satisfactory as to site planning, relation to the comprehensive or
106 general plan of the municipality and, except when the redevelopment
107 agency has prepared the redevelopment plan, the construction and
108 financial ability of the redeveloper to carry it out. No redevelopment
109 plan for a project which consists predominantly of residential facilities
110 shall be approved by the redevelopment agency in any municipality
111 having a housing authority organized under the provisions of chapter

112 128 except with the approval of such housing authority. The approval
113 of a redevelopment plan may be given by the legislative body or by
114 such agency as it designates to act in its behalf.

115 Sec. 3. Section 8-128 of the general statutes is repealed and the
116 following is substituted in lieu thereof (*Effective October 1, 2006*):

117 Within a reasonable time after its approval of the redevelopment
118 plan as [hereinbefore] provided in section 8-127, as amended by this
119 act, the redevelopment agency may proceed with the acquisition or
120 rental of real property by purchase, lease, exchange or gift. The
121 redevelopment agency may acquire any parcel of real property by
122 eminent domain with the approval of the legislative body of the
123 municipality and in accordance with the provisions of sections 8-129 to
124 8-133, inclusive, as amended by this act, and this section. The
125 legislative body in its approval of a project under section 8-127, as
126 amended by this act, shall specify the time within which real property
127 is to be acquired. There shall be a separate vote on the acquisition of
128 each parcel to be acquired in accordance with the redevelopment plan.
129 In the case of a parcel to be acquired by eminent domain for economic
130 development, approval of two-thirds of the legislative body is
131 required. No parcel of real property may be acquired by eminent
132 domain more than five years after approval of the redevelopment plan
133 unless the redevelopment agency submits documentation to the
134 legislative body sufficient for such legislative body to determine that
135 acquisition of such parcel is necessary to implement the
136 redevelopment plan. Notwithstanding the provisions of this section no
137 parcel of real property may be acquired by eminent domain for (1)
138 economic development, or (2) if a dwelling unit is located on such
139 parcel. The time for acquisition may be extended by the legislative
140 body in accordance with section 48-6, upon request of the
141 redevelopment agency, provided the owner of the parcel of real
142 property consents to such request. [Real] Any parcel of real property
143 may be acquired previous to the adoption or approval of the project
144 area redevelopment plan, provided the property acquired shall be

145 located within an area designated on the general plan as an
146 appropriate redevelopment area or within an area whose boundaries
147 are defined by the planning commission as an appropriate area for a
148 redevelopment project, and provided such acquisition shall be
149 authorized by the legislative body. The redevelopment agency may
150 clear, repair, operate or insure such property while it is in its
151 possession or make site improvements essential to preparation for its
152 use in accordance with the redevelopment plan.

153 Sec. 4. Section 8-129 of the general statutes is repealed and the
154 following is substituted in lieu thereof (*Effective October 1, 2006*):

155 (a) The redevelopment agency shall determine the compensation to
156 be paid to the persons entitled thereto for [such] real property [and] to
157 be taken pursuant to section 8-128, as amended by this act. In the case
158 of any real property taken on or after the effective date of this section,
159 the owner shall be compensated in an amount not less than one
160 hundred fifty per cent of the fair market value of the real property. The
161 redevelopment agency shall file a statement of compensation,
162 containing a description of the property to be taken and the names of
163 all persons having a record interest therein and setting forth the
164 amount of such compensation, and a deposit as provided in section 8-
165 130, with the clerk of the superior court for the judicial district in
166 which the property affected is located. Upon filing such statement of
167 compensation and deposit, the redevelopment agency shall forthwith
168 cause to be recorded, in the office of the town clerk of each town in
169 which the property is located, a copy of such statement of
170 compensation, such recording to have the same effect and to be treated
171 the same as the recording of a lis pendens, and shall forthwith give
172 notice, as provided in this section, to each person appearing of record
173 as an owner of property affected thereby and to each person appearing
174 of record as a holder of any mortgage, lien, assessment or other
175 encumbrance on such property or interest therein [(a)] (1) in the case of
176 any such person found to be residing within this state, by causing a
177 copy of such notice, with a copy of such statement of compensation, to

178 be served upon each such person by a state marshal, constable or
179 indifferent person, in the manner set forth in section 52-57 for the
180 service of civil process, and [(b)] (2) in the case of any such person who
181 is a nonresident of this state at the time of the filing of such statement
182 of compensation and deposit or of any such person whose
183 whereabouts or existence is unknown, by mailing to each such person
184 a copy of such notice and of such statement of compensation, by
185 registered or certified mail, directed to [his] such person's last-known
186 address, and by publishing such notice and such statement of
187 compensation at least twice in a newspaper published in the judicial
188 district and having daily or weekly circulation in the town in which
189 such property is located. Any such published notice shall state that it is
190 notice to the widow or widower, heirs, representatives and creditors of
191 the person holding such record interest, if such person is dead. If, after
192 a reasonably diligent search, no last-known address can be found for
193 any interested party, an affidavit stating such fact, and reciting the
194 steps taken to locate such address, shall be filed with the clerk of the
195 superior court and accepted in lieu of mailing to the last-known
196 address.

197 (b) Not less than twelve days or more than ninety days after such
198 notice and such statement of compensation have been so served or so
199 mailed and first published, the redevelopment agency shall file with
200 the clerk of the superior court a return of notice setting forth the notice
201 given and, upon receipt of such return of notice, such clerk shall,
202 without any delay or continuance of any kind, issue a certificate of
203 taking setting forth the fact of such taking, a description of all the
204 property so taken and the names of the owners and of all other persons
205 having a record interest therein. The redevelopment agency shall cause
206 such certificate of taking to be recorded in the office of the town clerk
207 of each town in which such property is located. Upon the recording of
208 such certificate, title to such property in fee simple shall vest in the
209 municipality, and the right to just compensation shall vest in the
210 persons entitled thereto. At any time after such certificate of taking has
211 been so recorded, the redevelopment agency may repair, operate or

212 insure such property and enter upon such property, and take any
213 action that is proposed with regard to such property by the project
214 area redevelopment plan.

215 (c) The notice [referred to above] required in subsection (b) of this
216 section shall state that (1) not less than twelve days or more than
217 ninety days after service or mailing and first publication thereof, the
218 redevelopment agency shall file, with the clerk of the superior court for
219 the judicial district in which such property is located, a return setting
220 forth the notice given, (2) upon receipt of such return, such clerk shall
221 issue a certificate for recording in the office of the town clerk of each
222 town in which such property is located, (3) upon the recording of such
223 certificate, title to such property shall vest in the municipality, the right
224 to just compensation shall vest in the persons entitled thereto and the
225 redevelopment agency may repair, operate or insure such property
226 and enter upon such property and take any action that may be
227 proposed with regard thereto by the project area redevelopment plan,
228 and (4) such notice shall bind the widow or widower, heirs,
229 representatives and creditors of each person named therein who then
230 or thereafter may be dead.

231 (d) When any redevelopment agency acting on behalf of any
232 municipality has acquired or rented real property by purchase, lease,
233 exchange or gift in accordance with the provisions of this section, or in
234 exercising its right of eminent domain has filed a statement of
235 compensation and deposit with the clerk of the superior court and has
236 caused a certificate of taking to be recorded in the office of the town
237 clerk of each town in which such property is located as provided in
238 this section, any judge of such court may, upon application and proof
239 of such acquisition or rental or such filing and deposit and such
240 recording, order such clerk to issue an execution commanding a state
241 marshal to put such municipality and the redevelopment agency, as its
242 agent, into peaceable possession of the property so acquired, rented or
243 condemned. The provisions of this section shall not be limited in any
244 way by the provisions of chapter 832.

245 Sec. 5. Section 8-187 of the general statutes is repealed and the
246 following is substituted in lieu thereof (*Effective October 1, 2006*):

247 As used in this chapter, (1) "municipality" means a town, city,
248 consolidated town and city or consolidated town and borough; (2)
249 "legislative body" means (A) the board of selectmen in a town that
250 does not have a charter, special act or home rule ordinance relating to
251 its government, or (B) the council, board of aldermen, representative
252 town meeting, board of selectmen or other elected legislative body
253 described in a charter, special act or home rule ordinance relating to
254 government in a city, consolidated town and city, consolidated town
255 and borough or a town having a charter, special act, consolidation
256 ordinance or home rule ordinance relating to its government; (3)
257 "development agency" means the agency designated by a municipality
258 under section 8-188 through which the municipality may exercise the
259 powers granted under this chapter; (4) "development project" means a
260 project conducted by a municipality for the assembly, improvement
261 and disposition of land or buildings or both to be used principally for
262 industrial or business purposes and includes vacated commercial
263 plants; (5) "vacated commercial plants" means buildings formerly used
264 principally for business or industrial purposes of which more than fifty
265 per cent of the usable floor space is, or which it is anticipated, within
266 eighteen months, shall be, unused or substantially underutilized; (6)
267 "project area" means the area within which the development project is
268 located; (7) "commissioner" means the Commissioner of Economic and
269 Community Development; (8) "planning commission" means the
270 planning and zoning commission designated pursuant to section 8-4a
271 or the planning commission created pursuant to section 8-19; (9) "real
272 property" means land, subterranean or subsurface rights, structures,
273 any and all easements, air rights and franchises and every estate, right
274 or interest therein; [and] (10) "business purpose" includes, but is not
275 limited to, any commercial, financial or retail enterprise and includes
276 any enterprise which promotes tourism and any property that
277 produces income; (11) "public use" means (A) possession, occupation
278 and enjoyment of land by the general public or by a public agency,

279 department or institution, for a public purpose or to provide public
280 services; (B) the use of land for the creation or operation of public
281 utilities; and (C) the acquisition of real property to correct a specific
282 harm from the use of such land on the date of acquisition, including (i)
283 the removal of a public nuisance or structures that are irreparable or
284 unfit for human habitation or use, and (ii) the acquisition of
285 abandoned property; and (12) "economic development" means any
286 land use that increases tax revenues, the tax base, employment or
287 general economic health and that does not result in (A) the transfer of
288 land to public ownership, (B) the transfer of land to a railroad, (C) the
289 transfer of property to a private entity when eminent domain will
290 remove a threat to public health or safety such as public nuisances or
291 structures that are beyond repair or unfit for human habitation or use,
292 (D) the acquisition of abandoned property, or (E) the lease of property
293 to private entities for an accessory use in a public project and includes
294 an industrial purpose or a business purpose.

295 Sec. 6. Section 8-189 of the general statutes is repealed and the
296 following is substituted in lieu thereof (*Effective from passage*):

297 The development agency may initiate a development project by
298 preparing a project plan therefor in accordance with regulations of the
299 commissioner. The project plan shall meet an identified public need
300 and include: [(a)] (1) A legal description of the land within the project
301 area; [(b)] (2) a description of the present condition and uses of such
302 land or building; [(c)] (3) a description of the process utilized by the
303 agency to prepare the plan along with alternative approaches
304 considered to achieve project objectives; (4) a description of the types
305 and locations of land uses or building uses proposed for the project
306 area; [(d)] (5) a description of the types and locations of present and
307 proposed streets, sidewalks and sanitary, utility and other facilities
308 and the types and locations of other proposed site improvements; [(e)]
309 (6) statements of the present and proposed zoning classification and
310 subdivision status of the project area and the areas adjacent to the
311 project area; [(f)] (7) a plan for relocating project-area occupants; [(g)]

312 (8) a financing plan; [(h)] (9) an administrative plan; [(i)] (10) a
313 marketability and proposed land-use study or building use study if
314 required by the commissioner; [(j)] (11) appraisal reports and title
315 searches; [(k)] (12) a statement of public benefits including, but not
316 limited to, (A) the number of jobs which the development agency
317 anticipates would be created by the project and the number and types
318 of existing housing units in the municipality in which the project
319 would be located, and in contiguous municipalities, which would be
320 available to employees filling such jobs; (B) an estimate of the amount
321 of local tax revenue to be generated by the project; (C) a description of
322 infrastructure improvements, including public access, facilities or use;
323 (D) a description of any blight remediation or environmental
324 remediation; (E) a description of any aesthetic improvements to be
325 generated by the project; (F) a description of the project's role in
326 increasing or sustaining market value of land in the municipality; (G) a
327 description of the project's role in assisting residents of the
328 municipality to improve their standard of living; and (H) a statement
329 of the project's role in maintaining or enhancing the competitiveness of
330 the municipality; and [(l)] (13) findings that the land and buildings
331 within the project area will be used principally for industrial or
332 business purposes; that the proposed land use for each property is a
333 public use or for economic development; that the plan is in accordance
334 with the plan of development for the municipality adopted by its
335 planning commission under section 8-23, as amended, and the plan of
336 development of the regional planning agency adopted under section 8-
337 35a, as amended, if any, for the region within which the municipality is
338 located; that the plan is not inimical to the state plan of conservation
339 and development adopted under chapter 297 and any other state-wide
340 planning program objectives of the state or state agencies as
341 coordinated by the Secretary of the Office of Policy and Management;
342 that the project will contribute to the economic welfare of the
343 municipality and the state; and that to carry out and administer the
344 project, public action under this chapter is required. Any plan which
345 has been prepared by a redevelopment agency under chapter 130 may

346 be submitted by the development agency to the legislative body and to
347 the commissioner in lieu of a plan initiated and prepared in accordance
348 with this section, provided all other requirements of this chapter for
349 obtaining the approval of the commissioner of the project plan are
350 satisfied.

351 Sec. 7. Section 8-191 of the general statutes is repealed and the
352 following is substituted in lieu thereof (*Effective October 1, 2006*):

353 (a) Before the development agency adopts a plan for a development
354 project, (1) the planning commission of the municipality shall find that
355 the plan is in accord with the plan of development for the
356 municipality; and (2) the regional planning agency, if any, for the
357 region within which such municipality is located shall find that such
358 plan is in accord with the plan of development for such region, or if
359 such agency fails to make a finding concerning said plan within thirty-
360 five days of receipt thereof by such agency, it shall be presumed that
361 such agency does not disapprove of such plan; and (3) the
362 development agency shall hold at least one public hearing thereon. At
363 least thirty-five days prior to any public hearing the development
364 agency shall post the draft plan on the Internet web site of the
365 development agency, if any. Upon approval by the development
366 agency, the agency shall submit such plan to the legislative body
367 which shall vote to approve or disapprove the plan. After approval of
368 the plan by the legislative body, the development agency shall submit
369 the plan for approval to the commissioner. Notice of the time, place
370 and subject of any public hearing held under this section shall be
371 published once in a newspaper of general circulation in such town,
372 such publication to be made not less than one week nor more than
373 three weeks prior to the date set for the hearing. In the event the
374 commissioner requires a substantial modification of the project plan
375 before giving approval, then upon the completion of such modification
376 such plan shall first have a public hearing and then be approved by the
377 development agency and the legislative body. Any legislative body,
378 agency or commission in approving a plan for a development project

379 shall specifically approve the findings made therein.

380 (b) The provisions of subsection (a) of this section with respect to
381 submission of a development project to and approval by the
382 commissioner shall not apply to a project for which no grant has been
383 made under section 8-190 and no application for a grant is to be made
384 under section 8-195.

385 Sec. 8. Section 8-193 of the general statutes is repealed and the
386 following is substituted in lieu thereof (*Effective October 1, 2006*):

387 (a) After approval of the development plan as provided in this
388 chapter, the development agency may proceed by purchase, lease,
389 exchange or gift with the acquisition or rental of real property within
390 the project area and real property and interests therein for rights-of-
391 way and other easements to and from the project area. The
392 development agency may, with the approval of the legislative body,
393 and in the name of the municipality, acquire by eminent domain any
394 parcel of real property located within the project area and real
395 property and interests therein for rights-of-way and other easements to
396 and from the project area, except a parcel of real property on which a
397 dwelling unit is located, in the same manner that a redevelopment
398 agency may acquire real property under sections 8-128 to 8-133,
399 inclusive, as amended by this act, as if said sections specifically applied
400 to development agencies. There shall be a separate vote on the
401 acquisition of each parcel to be acquired in accordance with the
402 development plan. In the case of a parcel to be acquired by eminent
403 domain for economic development, approval of two-thirds of the
404 legislative body is required. No parcel of real property may be
405 acquired by eminent domain more than five years after the approval of
406 the development plan unless the development agency submits
407 documentation to the legislative body sufficient for such legislative
408 body to determine that acquisition of such parcel is necessary to
409 implement the development plan. The development agency may, with
410 the approval of the legislative body and, of the commissioner if any

411 grants were made by the state under section 8-190 or 8-195 for such
412 development project, and in the name of such municipality, transfer by
413 sale or lease at fair market value or fair rental value, as the case may
414 be, the whole or any part of the real property in the project area to any
415 person, in accordance with the project plan and such disposition plans
416 as may have been determined by the commissioner.

417 (b) A development agency shall have all the powers necessary or
418 convenient to undertake and carry out development plans and
419 development projects, including the power to clear, demolish, repair,
420 rehabilitate, operate, or insure real property while it is in its
421 possession, to make site improvements essential to the preparation of
422 land for its use in accordance with the development plan, to install,
423 construct or reconstruct streets, utilities and other improvements
424 necessary for carrying out the objectives of the development project,
425 and, in distressed municipalities, as defined in section 32-9p, to lend
426 funds to businesses and industries in a manner approved by the
427 commissioner.

428 Sec. 9. (NEW) (*Effective October 1, 2006*) (a) The Secretary of the
429 Office of Policy and Management shall establish a grant program to
430 reimburse any person who owns property that was acquired by
431 eminent domain under section 8-128 or 8-193 of the general statutes, as
432 amended by this act, for two-thirds of the documented cost incurred
433 by such owner in any legal action contesting such acquisition. Grants
434 shall be paid only upon final adjudication of the legal action.

435 (b) The Secretary of the Office of Policy and Management shall
436 adopt regulations, in accordance with the provisions of chapter 54 of
437 the general statutes, for the administration of this section. Such
438 regulations shall include provisions for application for grants and
439 eligibility and documentation of costs.

440 Sec. 10. (NEW) (*Effective July 1, 2006, and applicable to income years*
441 *commencing on or after January 1, 2006*) (a) As used in this section
442 "distressed municipality" shall have the same meaning as in section 32-

443 9p of the general statutes.

444 (b) For taxable years commencing on or after January 1, 2006, there
445 shall be allowed a credit against the tax imposed under chapter 229 of
446 the general statutes to any resident individual who resides in a
447 distressed municipality an amount equal to two thousand dollars. The
448 amount of such credit shall be annually adjusted by the Commissioner
449 of Revenue Services to reflect the increase in the consumer price index
450 for urban consumers during the preceding twelve-month period,
451 according to the United States Bureau of Labor Statistics data. If any
452 amount after adjustment is not a multiple of five hundred dollars, such
453 amount shall be rounded to the next lower multiple of five hundred
454 dollars.

455 (c) The amount of credit allowed to any individual under this
456 section shall not exceed the amount of tax due from such individual
457 under chapter 229 of the general statutes with respect to such taxable
458 year.

459 Sec. 11. Subparagraph (A) of subdivision (3) of subsection (c) of
460 section 7-148 of the general statutes is repealed and the following is
461 substituted in lieu thereof (*Effective October 1, 2006*):

462 (3) (A) Take or acquire by gift, purchase, grant, including any grant
463 from the United States or the state, bequest or devise and hold,
464 condemn, lease, sell, manage, transfer, release and convey such real
465 and personal property or interest therein absolutely or in trust as the
466 purposes of the municipality or any public use [or purpose] require,
467 including that of education, art, ornament, health, charity or
468 amusement, cemeteries, parks or gardens, or the erection or
469 maintenance of statues, monuments, buildings or other structures, or
470 the encouragement of [private commercial development, require]
471 economic development. Any lease of real or personal property or any
472 interest therein, either as lessee or lessor, may be for such term or any
473 extensions thereof and upon such other terms and conditions as have
474 been approved by the municipality, including without limitation the

475 power to bind itself to appropriate funds as necessary to meet rent and
476 other obligations as provided in any such lease. Any condemnation of
477 real property shall proceed in the manner provided in sections 8-128 to
478 8-133, inclusive, as amended by this act. As used in this section, "public
479 use" and "economic development" shall have the same meaning as in
480 section 8-125, as amended by this act.

481 Sec. 12. Section 32-224 of the general statutes is repealed and the
482 following is substituted in lieu thereof (*Effective October 1, 2006*):

483 (a) Any municipality which has a planning commission may, by
484 vote of its legislative body, designate an implementing agency to
485 exercise the powers granted under sections 32-220 to 32-234, inclusive.
486 Any municipality may, with the approval of the commissioner,
487 designate a separate implementing agency for each municipal
488 development project undertaken by such municipality pursuant to
489 said sections.

490 (b) The implementing agency may initiate a municipal development
491 project by preparing and submitting a development plan to the
492 commissioner. Such plan shall meet an identified public need and
493 include: (1) A legal description of the real property within the
494 boundaries of the project area; (2) a description of the present
495 condition and uses of such real property; (3) a description of the
496 process utilized by the agency to prepare the plan along with
497 alternative approaches considered to achieve project objectives; (4) a
498 description of the types and locations of land uses or building uses
499 proposed for the project area; [(4)] (5) a description of the types and
500 locations of present and proposed streets, sidewalks and sanitary,
501 utility and other facilities and the types and locations of other
502 proposed project improvements; [(5)] (6) statements of the present and
503 proposed zoning classification and subdivision status of the project
504 area and the areas adjacent to the project area; [(6)] (7) a plan for
505 relocating project area occupants; [(7)] (8) a financing plan; [(8)] (9) an
506 administrative plan; [(9)] (10) an environmental analysis, marketability

507 and proposed land use study, or building use study if required by the
508 commissioner; [(10)] (11) appraisal reports and title searches if
509 required by the commissioner; [(11)] (12) a description of the
510 [economic] public benefit of the project, including, but not limited to,
511 (A) the number of jobs which the implementing agency anticipates
512 would be created or retained by the project, (B) the estimated property
513 tax benefits, [and] (C) the number and types of existing housing units
514 in the municipality in which the project would be located, and in
515 contiguous municipalities, which would be available to employees
516 filling such jobs, (D) a description of infrastructure improvements,
517 including public access, facilities or use, (E) a description of any blight
518 remediation or environmental remediation, (F) a description of any
519 aesthetic improvements to be generated by the project, (G) a
520 description of the project's role in increasing or sustaining market
521 value of land in the municipality, (H) a description of the project's role
522 in assisting residents of the municipality to improve their standard of
523 living, and (I) a statement of the project's role in maintaining or
524 enhancing the competitiveness of the municipality; and [(12)] (13) a
525 finding that (A) the land and buildings within the boundaries of the
526 project area will be used principally for manufacturing or other
527 economic base business purposes or business support services; (B) the
528 plan is in accordance with the plan of development for the
529 municipality, if any, adopted by its planning commission and the plan
530 of development of the regional planning agency, if any, for the region
531 within which the municipality is located; (C) the plan is not inimical to
532 any state-wide planning program objectives of the state or state
533 agencies as coordinated by the Secretary of the Office of Policy and
534 Management; and (D) the project will contribute to the economic
535 welfare of the municipality and the state and that to carry out and
536 administer the project, public action under sections 32-220 to 32-234,
537 inclusive, is required. The provisions of this subsection with respect to
538 submission of a development plan to and approval by the
539 commissioner and with respect to a finding that the plan is not
540 inimical to any state-wide planning program objectives of the state or

541 its agencies shall not apply to a project for which no financial
542 assistance has been given and no application for financial assistance is
543 to be made under section 32-223. Any plan which has been prepared
544 under chapters 130, 132 or 588a may be submitted by the
545 implementing agency to the legislative body of the municipality and to
546 the commissioner in lieu of a plan initiated and prepared in accordance
547 with this section, provided all other requirements of sections 32-220 to
548 32-234, inclusive, for obtaining the approval of the commissioner of the
549 development plan are satisfied. Any action taken in connection with
550 the preparation and adoption of such plan shall be deemed effective to
551 the extent such action satisfies the requirements of said sections.

552 (c) No plan shall be adopted unless the planning commission of the
553 municipality finds that the plan is in accord with the plan of
554 development, if any, for the municipality and the regional planning
555 agency, if any, organized under chapter 127 for the region within
556 which such municipality is located finds that such plan is in accord
557 with the plan of development, if any, for such region. If the regional
558 planning agency fails to make a finding concerning the plan within
559 thirty-five days of receipt thereof, by such agency, it shall be presumed
560 that such agency does not disapprove of the plan. The implementing
561 agency shall hold at least one public hearing on the plan and shall
562 cause notice of the time, place, and subject of any public hearing to be
563 published at least once in a newspaper of general circulation in the
564 municipality not less than one week nor more than three weeks prior
565 to the date of such public hearing. At least thirty-five days prior to the
566 public hearing the redevelopment agency shall post the draft plan on
567 the Internet web site of the redevelopment agency, if any. Upon
568 adoption the implementing agency shall submit the plan to the
569 legislative body of the municipality for approval or disapproval. Any
570 approval by the implementing agency and legislative body of the
571 municipality made under this section shall specifically provide for
572 approval of any findings contained therein. After approval of the plan
573 by the legislative body of the municipality, such plan shall be
574 submitted to the commissioner for his approval. If the commissioner

575 requires a substantial modification of the plan as a condition of
576 approval, the plan shall be subject to a public hearing and approval by
577 the implementing agency and the legislative body of the municipality
578 in accordance with the provisions of this subsection.

579 (d) A development plan may be modified at any time by the
580 implementing agency, provided, if modified after the lease or sale of
581 real property in the project area, the lessees or purchasers of such real
582 property or their successor or successors in interest affected by the
583 proposed modification shall consent to such modification. If the
584 proposed modification will substantially alter the development plan as
585 previously approved, the modification shall be subject to the approval
586 of the local legislative body of the municipality and the commissioner
587 in the same manner as approval of the development plan. The
588 municipality may, by vote of its legislative body, abandon the
589 development plan and convey such real property within the
590 boundaries of the project area free of any restriction, obligation or
591 procedure imposed by the plan subject to all other local and state laws,
592 ordinances or regulations if after three years from the date of approval
593 of the plan the implementing agency has not transferred by sale or
594 lease all or any part of the real property acquired in the project area to
595 any person in accordance with the development plan and no grant of
596 financial assistance under sections 32-220 to 32-234, inclusive, has been
597 given for such project other than for activities related to the planning
598 of the project pursuant to section 32-222.

599 (e) The implementing agencies of two or more municipalities may,
600 after approval by each legislative body thereof, jointly initiate a
601 development project if the project area is to be located in one or more
602 of such municipalities. Such implementing agencies, after approval by
603 the commissioner of the development plan for the project if any state
604 aid is to be requested under section 32-223, may enter into and amend
605 subject to the approval of the commissioner, an agreement to jointly
606 carry out the development plan. Such agreement may include
607 provisions for furnishing municipal services to the project and sharing

608 costs of and revenues from the project, including property tax and
609 rental receipts. The development plan shall include a proposed form of
610 the agreement to be entered into by the municipalities. Each
611 municipality which is a party to an agreement may make
612 appropriations and levy taxes in accordance with the provisions of the
613 general statutes and may issue bonds in accordance with section 32-
614 227 to further its obligations under the agreement.

615 (f) As used in this subsection, "public service facility" includes any
616 sewer, pipe, main conduit, cable, wire, pole, tower, building or utility
617 appliance owned or operated by an electric, gas, telephone, telegraph
618 or water company. Whenever an implementing agency determines
619 that the closing of any street or public right-of-way is provided for in a
620 development plan adopted and approved in accordance with sections
621 32-220 to 32-234, inclusive, or where the carrying out of such a
622 development plan, including the construction of new improvements,
623 requires the temporary or permanent readjustment, relocation or
624 removal of a public service facility from a street or public right-of-way,
625 the implementing agency shall issue an appropriate order to the
626 company owning or operating such facility. Such company shall
627 permanently or temporarily readjust, relocate or remove the public
628 service facility promptly in accordance with such order, provided an
629 equitable share of the cost of such readjustment, relocation or removal,
630 including the cost of installing and constructing a facility of equal
631 capacity in a new location, shall be borne by the implementing agency.
632 Such equitable share shall be fifty per cent of such cost after the
633 deduction hereinafter provided. In establishing the equitable share of
634 the cost to be borne by the implementing agency, there shall be
635 deducted from the cost of the readjusted, relocated or removed
636 facilities a sum based on a consideration of the value of materials
637 salvaged from existing installations, the cost of the original installation,
638 the life expectancy of the original facility and the unexpired term of
639 such life use. The books and records of the company shall be made
640 available for inspection by the implementing agency to determine the
641 equitable share of the cost of such readjustment, relocation or removal.

642 When any facility is removed from a street or public right-of-way to a
643 private right-of-way, the implementing agency shall not pay for such
644 private right-of-way. If the implementing agency and the company
645 owning or operating such facility cannot agree upon the share of the
646 cost to be borne by the implementing agency, such agency or the
647 company may apply to the superior court for the judicial district
648 within which the street or public right-of-way is situated, or, if the
649 court is not in session, to any judge thereof, for a determination of the
650 cost to be borne by the implementing agency. The court or the judge,
651 after causing notice of the pendency of such application to be given to
652 the other party, shall appoint a state referee to make such
653 determination. The referee, having given at least ten days' notice to the
654 interested parties of the time and place of the hearing, shall hear both
655 parties, take such testimony as he may deem material and thereupon
656 determine the amount of the cost to be borne by the implementing
657 agency. The referee shall immediately report the amount to the court.
658 If the report is accepted by the court, such determination shall, subject
659 to right of appeal as in civil actions, be conclusive upon such parties.

660 (g) After approval of the development plan pursuant to sections 32-
661 220 to 32-234, inclusive, the implementing agency may by purchase,
662 lease, exchange or gift acquire or rent real property necessary or
663 appropriate for the project as identified in the development plan and
664 real property and interests therein for rights-of-way and other
665 easements to and from the project area. The implementing agency
666 may, with the approval of the legislative body of the municipality, and
667 in the name of the municipality, condemn in accordance with section
668 8-128 to 8-133, inclusive, as amended by this act, any real property
669 necessary or appropriate for the project as identified in the
670 development plan, including real property and interests in land for
671 rights-of-way and other easements to and from the project area.

672 Sec. 13. Subsection (b) of section 1-210 of the 2006 supplement to the
673 general statutes is repealed and the following is substituted in lieu
674 thereof (*Effective October 1, 2006*):

675 (b) Nothing in the Freedom of Information Act shall be construed to
676 require disclosure of:

677 (1) Preliminary drafts or notes provided the public agency has
678 determined that the public interest in withholding such documents
679 clearly outweighs the public interest in disclosure;

680 (2) Personnel or medical files and similar files the disclosure of
681 which would constitute an invasion of personal privacy;

682 (3) Records of law enforcement agencies not otherwise available to
683 the public which records were compiled in connection with the
684 detection or investigation of crime, if the disclosure of said records
685 would not be in the public interest because it would result in the
686 disclosure of (A) the identity of informants not otherwise known or the
687 identity of witnesses not otherwise known whose safety would be
688 endangered or who would be subject to threat or intimidation if their
689 identity was made known, (B) signed statements of witnesses, (C)
690 information to be used in a prospective law enforcement action if
691 prejudicial to such action, (D) investigatory techniques not otherwise
692 known to the general public, (E) arrest records of a juvenile, which
693 shall also include any investigatory files, concerning the arrest of such
694 juvenile, compiled for law enforcement purposes, (F) the name and
695 address of the victim of a sexual assault under section 53a-70, 53a-70a,
696 53a-71, 53a-72a, 53a-72b or 53a-73a, or injury or risk of injury, or
697 impairing of morals under section 53-21, or of an attempt thereof, or
698 (G) uncorroborated allegations subject to destruction pursuant to
699 section 1-216;

700 (4) Records pertaining to strategy and negotiations with respect to
701 pending claims or pending litigation to which the public agency is a
702 party until such litigation or claim has been finally adjudicated or
703 otherwise settled;

704 (5) (A) Trade secrets, which for purposes of the Freedom of
705 Information Act, are defined as information, including formulas,

706 patterns, compilations, programs, devices, methods, techniques,
707 processes, drawings, cost data, or customer lists that (i) derive
708 independent economic value, actual or potential, from not being
709 generally known to, and not being readily ascertainable by proper
710 means by, other persons who can obtain economic value from their
711 disclosure or use, and (ii) are the subject of efforts that are reasonable
712 under the circumstances to maintain secrecy; and

713 (B) Commercial or financial information given in confidence, not
714 required by statute;

715 (6) Test questions, scoring keys and other examination data used to
716 administer a licensing examination, examination for employment or
717 academic examinations;

718 (7) The contents of real estate appraisals, engineering or feasibility
719 estimates and evaluations made for or by an agency relative to the
720 acquisition of property, including acquisition by eminent domain, or to
721 prospective public supply and construction contracts, until such time
722 as all of the property has been acquired or all proceedings or
723 transactions have been terminated or abandoned; [, provided the law
724 of eminent domain shall not be affected by this provision;]

725 (8) Statements of personal worth or personal financial data required
726 by a licensing agency and filed by an applicant with such licensing
727 agency to establish the applicant's personal qualification for the
728 license, certificate or permit applied for;

729 (9) Records, reports and statements of strategy or negotiations with
730 respect to collective bargaining;

731 (10) Records, tax returns, reports and statements exempted by
732 federal law or state statutes or communications privileged by the
733 attorney-client relationship;

734 (11) Names or addresses of students enrolled in any public school or
735 college without the consent of each student whose name or address is

736 to be disclosed who is eighteen years of age or older and a parent or
737 guardian of each such student who is younger than eighteen years of
738 age, provided this subdivision shall not be construed as prohibiting the
739 disclosure of the names or addresses of students enrolled in any public
740 school in a regional school district to the board of selectmen or town
741 board of finance, as the case may be, of the town wherein the student
742 resides for the purpose of verifying tuition payments made to such
743 school;

744 (12) Any information obtained by the use of illegal means;

745 (13) Records of an investigation or the name of an employee
746 providing information under the provisions of section 4-61dd;

747 (14) Adoption records and information provided for in sections 45a-
748 746, 45a-750 and 45a-751;

749 (15) Any page of a primary petition, nominating petition,
750 referendum petition or petition for a town meeting submitted under
751 any provision of the general statutes or of any special act, municipal
752 charter or ordinance, until the required processing and certification of
753 such page has been completed by the official or officials charged with
754 such duty after which time disclosure of such page shall be required;

755 (16) Records of complaints, including information compiled in the
756 investigation thereof, brought to a municipal health authority pursuant
757 to chapter 368e or a district department of health pursuant to chapter
758 368f, until such time as the investigation is concluded or thirty days
759 from the date of receipt of the complaint, whichever occurs first;

760 (17) Educational records which are not subject to disclosure under
761 the Family Educational Rights and Privacy Act, 20 USC 1232g;

762 (18) Records, the disclosure of which the Commissioner of
763 Correction, or as it applies to Whiting Forensic Division facilities of the
764 Connecticut Valley Hospital, the Commissioner of Mental Health and
765 Addiction Services, has reasonable grounds to believe may result in a

766 safety risk, including the risk of harm to any person or the risk of an
767 escape from, or a disorder in, a correctional institution or facility under
768 the supervision of the Department of Correction or Whiting Forensic
769 Division facilities. Such records shall include, but are not limited to:

770 (A) Security manuals, including emergency plans contained or
771 referred to in such security manuals;

772 (B) Engineering and architectural drawings of correctional
773 institutions or facilities or Whiting Forensic Division facilities;

774 (C) Operational specifications of security systems utilized by the
775 Department of Correction at any correctional institution or facility or
776 Whiting Forensic Division facilities, except that a general description
777 of any such security system and the cost and quality of such system
778 may be disclosed;

779 (D) Training manuals prepared for correctional institutions and
780 facilities or Whiting Forensic Division facilities that describe, in any
781 manner, security procedures, emergency plans or security equipment;

782 (E) Internal security audits of correctional institutions and facilities
783 or Whiting Forensic Division facilities;

784 (F) Minutes or recordings of staff meetings of the Department of
785 Correction or Whiting Forensic Division facilities, or portions of such
786 minutes or recordings, that contain or reveal information relating to
787 security or other records otherwise exempt from disclosure under this
788 subdivision;

789 (G) Logs or other documents that contain information on the
790 movement or assignment of inmates or staff at correctional institutions
791 or facilities; and

792 (H) Records that contain information on contacts between inmates,
793 as defined in section 18-84, and law enforcement officers;

794 (19) Records when there are reasonable grounds to believe
795 disclosure may result in a safety risk, including the risk of harm to any
796 person, any government-owned or leased institution or facility or any
797 fixture or appurtenance and equipment attached to, or contained in,
798 such institution or facility, except that such records shall be disclosed
799 to a law enforcement agency upon the request of the law enforcement
800 agency. Such reasonable grounds shall be determined (A) with respect
801 to records concerning any executive branch agency of the state or any
802 municipal, district or regional agency, by the Commissioner of Public
803 Works, after consultation with the chief executive officer of the agency;
804 (B) with respect to records concerning Judicial Department facilities,
805 by the Chief Court Administrator; and (C) with respect to records
806 concerning the Legislative Department, by the executive director of the
807 Joint Committee on Legislative Management. As used in this section,
808 "government-owned or leased institution or facility" includes, but is
809 not limited to, an institution or facility owned or leased by a public
810 service company, as defined in section 16-1, a certified
811 telecommunications provider, as defined in section 16-1, a water
812 company, as defined in section 25-32a, or a municipal utility that
813 furnishes electric, gas or water service, but does not include an
814 institution or facility owned or leased by the federal government, and
815 "chief executive officer" includes, but is not limited to, an agency head,
816 department head, executive director or chief executive officer. Such
817 records include, but are not limited to:

818 (i) Security manuals or reports;

819 (ii) Engineering and architectural drawings of government-owned
820 or leased institutions or facilities;

821 (iii) Operational specifications of security systems utilized at any
822 government-owned or leased institution or facility, except that a
823 general description of any such security system and the cost and
824 quality of such system, may be disclosed;

825 (iv) Training manuals prepared for government-owned or leased

826 institutions or facilities that describe, in any manner, security
827 procedures, emergency plans or security equipment;

828 (v) Internal security audits of government-owned or leased
829 institutions or facilities;

830 (vi) Minutes or records of meetings, or portions of such minutes or
831 records, that contain or reveal information relating to security or other
832 records otherwise exempt from disclosure under this subdivision;

833 (vii) Logs or other documents that contain information on the
834 movement or assignment of security personnel at government-owned
835 or leased institutions or facilities;

836 (viii) Emergency plans and emergency recovery or response plans;
837 and

838 (ix) With respect to a water company, as defined in section 25-32a,
839 that provides water service: Vulnerability assessments and risk
840 management plans, operational plans, portions of water supply plans
841 submitted pursuant to section 25-32d that contain or reveal
842 information the disclosure of which may result in a security risk to a
843 water company, inspection reports, technical specifications and other
844 materials that depict or specifically describe critical water company
845 operating facilities, collection and distribution systems or sources of
846 supply;

847 (20) Records of standards, procedures, processes, software and
848 codes, not otherwise available to the public, the disclosure of which
849 would compromise the security or integrity of an information
850 technology system;

851 (21) The residential, work or school address of any participant in the
852 address confidentiality program established pursuant to sections 54-
853 240 to 54-240o, inclusive;

854 (22) The electronic mail address of any person that is obtained by

855 the Department of Transportation in connection with the
856 implementation or administration of any plan to inform individuals
857 about significant highway or railway incidents.

858 Sec. 14. Subsection (f) of section 1-225 of the general statutes is
859 repealed and the following is substituted in lieu thereof (*Effective*
860 *October 1, 2006*):

861 (f) A public agency may hold an executive session, as defined in
862 subdivision (6) of section 1-200, upon an affirmative vote of two-thirds
863 of the members of such body present and voting, taken at a public
864 meeting and stating the reasons for such executive session, as defined
865 in section 1-200, except that an executive session may not be held to
866 discuss acquisition of real property by eminent domain.

867 Sec. 15. (NEW) (*Effective July 1, 2006*) As used in this section and
868 sections 16 to 22, inclusive, of this act: (1) "Constitutional taking" or
869 "taking" means an action by the state, a municipality or political
870 subdivision of the state or a municipality that results in a taking of
871 private property by eminent domain requiring compensation to the
872 owner of the property pursuant to: (A) The Fifth or Fourteenth
873 Amendments to the Constitution of the United States; or (B) article I ,
874 Section 11 of the State Constitution; and (2) "takings law" means the
875 provisions of the federal and state constitutions, case law interpreting
876 such provisions, and any relevant statutory provisions that require a
877 governmental unit to compensate a private property owner for a
878 constitutional taking.

879 Sec. 16. (NEW) (*Effective July 1, 2006*) (a) There is established an
880 Office of Property Rights Ombudsman which shall be within the Office
881 of Policy and Management for administrative purposes only. The
882 Office of Property Rights Ombudsman shall be under the direction of a
883 Property Rights Ombudsman who shall be appointed in accordance
884 with section 17 of this act. The office shall not appoint any other
885 employees for the discharge of the duties of the office.

886 (b) The Office of Property Rights Ombudsman shall:

887 (1) Develop and maintain expertise in and understanding of (A)
888 provisions of the federal and state constitutions governing the taking
889 of private property and provisions of state law authorizing a state or
890 municipal agency to take private property, and (B) the case law
891 interpreting such provisions;

892 (2) Assist state and municipal agencies with the power of eminent
893 domain in applying constitutional and statutory provisions concerning
894 takings;

895 (3) At the request of a state or municipal agency with the power of
896 eminent domain, provide assistance in analyzing actions that have
897 potential takings implications;

898 (4) Advise private property owners who have a legitimate potential
899 or actual takings claim against a state or municipal agency with the
900 power of eminent domain;

901 (5) Identify state or local governmental actions that have potential
902 takings implications and, if appropriate, advise the appropriate
903 governmental agency about such implications;

904 (6) Provide information to private citizens, civic groups and other
905 interested parties about takings law and their rights with respect to
906 takings;

907 (7) If requested to do so by a private property owner, mediate or
908 conduct or arrange arbitration of disputes between private property
909 owners and governmental agencies involving takings and disputes
910 about relocation assistance;

911 (8) Assist a private property owner with respect to a dispute
912 involving the effect of municipal regulation of the use and occupancy
913 of real property, except that such assistance shall not include
914 mediation and arbitration unless requested under subdivision (7) of

915 this subsection; and

916 (9) Recommend to the General Assembly changes that, in the
917 opinion of the Property Rights Ombudsman, should be made in the
918 laws relating to takings.

919 Sec. 17. (NEW) (*Effective July 1, 2006*) The Property Rights
920 Ombudsman shall be appointed by the Governor in accordance with
921 sections 4-5 to 4-8, inclusive, of the general statutes. The Property
922 Rights Ombudsman shall be an elector of the state and shall be a
923 person with expertise and experience in the field of real estate sales,
924 real estate appraisals or land use regulation. The Property Rights
925 Ombudsman shall not have been employed or served in an official
926 capacity with respect to any eminent domain procedure within one
927 year of appointment.

928 Sec. 18. (NEW) (*Effective July 1, 2006*) (a) The Property Rights
929 Ombudsman shall provide an arbitration procedure for the settlement
930 of disputes between private property owners and governmental
931 agencies involving takings and disputes about relocation assistance.

932 (b) Any private property owner may bring a dispute to an
933 arbitration panel by calling a toll-free telephone number designated by
934 the Property Rights Ombudsman or by requesting an arbitration
935 hearing in writing. The property owner shall file, on forms prescribed
936 by the Property Rights Ombudsman, any information the Property
937 Rights Ombudsman deems relevant to the resolution of the dispute.

938 (c) (1) The Property Rights Ombudsman shall conduct an initial
939 review of the request for arbitration and determine whether the
940 dispute should be accepted or rejected for arbitration based on criteria
941 established by regulations adopted under section 22 of this act. If the
942 Property Rights Ombudsman declines to arbitrate or appoint an
943 arbitrator, the Property Rights Ombudsman shall issue a written
944 statement to the applicant specifying the reasons for such decision.

945 (2) The Property Rights Ombudsman may appoint a panel to
946 arbitrate a dispute, on the initiative of the Property Rights
947 Ombudsman or upon agreement of both parties, when: (A) Either
948 party objects to the Property Rights Ombudsman serving as the
949 arbitrator and agrees to pay for the services of another arbitrator; (B)
950 the Property Rights Ombudsman declines to arbitrate the dispute for a
951 reason other than those stated in subdivision (8) of subsection (b) of
952 section 16 of this act and one or both parties are willing to pay for the
953 services of another arbitrator; or (C) the Property Rights Ombudsman
954 determines that it is appropriate to appoint another person to arbitrate
955 the dispute with no charge to the parties for the services of the
956 appointed arbitrator. In appointing another person to arbitrate a
957 dispute, the Property Rights Ombudsman shall appoint an arbitrator
958 who is agreeable to both parties or agreeable to the party paying for
959 the arbitrator and the Property Rights Ombudsman.

960 (3) Upon acceptance of a dispute for arbitration, the Property Rights
961 Ombudsman shall notify each state or municipal agency participating
962 in the taking of the filing of a request for arbitration. The filer and each
963 such agency shall submit, in writing, on a form prescribed by the
964 Property Rights Ombudsman, any information the Property Rights
965 Ombudsman deems relevant to the resolution of the dispute.

966 (4) The Property Rights Ombudsman shall investigate, gather and
967 organize all information necessary for a fair and timely decision in
968 each dispute. The Property Rights Ombudsman may issue subpoenas
969 on behalf of any arbitration panel to compel the attendance of
970 witnesses and the production of documents, papers and records
971 relevant to the dispute. The Property Rights Ombudsman may
972 forward a copy of all written testimony, including all documentary
973 evidence, to an independent technical expert or to any person having a
974 degree or other credentials from a nationally recognized organization
975 or institution attesting to relevant expertise, who shall review such
976 material and be available to advise and consult with the Property
977 Rights Ombudsman or arbitration panel. The Property Rights

978 Ombudsman or arbitration panel shall, not later than sixty days after
979 the date the request is filed under subsection (b) of this section, render
980 a decision based on the information gathered and disclose the findings
981 and the reasons therefor to the parties involved.

982 (d) The property owner and state or municipal agency may agree in
983 advance of arbitration that the arbitration shall be binding and that no
984 de novo trial by a court may occur.

985 (e) Arbitration by or through the Property Rights Ombudsman is
986 not required before bringing legal action to adjudicate any claim.

987 (f) The lack of arbitration by or through the Property Rights
988 Ombudsman does not constitute, and may not be construed to
989 constitute, a failure to exhaust available administrative remedies or as
990 a bar to any legal action. Not more than thirty days after the arbitrator
991 issues a final award, any party may submit the award or any issue
992 upon which the award is based to the court for de novo review, except
993 as provided in subsection (d) of this section.

994 (g) The filing with the Property Rights Ombudsman of a request for
995 arbitration of a constitutional taking issue does not stay any land use
996 decision by a municipal agency.

997 (h) The Property Rights Ombudsman may not be compelled to
998 testify in a civil action filed with regard to the subject matter of any
999 review or arbitration by the ombudsman.

1000 (i) Evidence of a review by the Property Rights Ombudsman and
1001 the opinions, writings, findings and determinations of the Property
1002 Rights Ombudsman shall not be admissible as evidence in any action
1003 subsequently brought in court and dealing with the same dispute.

1004 (j) The Property Rights Ombudsman may not represent private
1005 property owners, the state or any municipality in court or in
1006 administrative proceedings under chapter 54 of the general statutes.

1007 Sec. 19. (NEW) (*Effective July 1, 2006*) Each public agency, as defined
1008 in section 1-200 of the general statutes, and any entity in this state with
1009 the power of eminent domain shall comply with reasonable requests of
1010 the Office of Property Rights Ombudsman for information and
1011 assistance.

1012 Sec. 20. (NEW) (*Effective July 1, 2006*) No ombudsman may:

1013 (1) Be employed by, or hold a position on, any public agency, as
1014 defined in section 1-200 of the general statutes, or other entity with the
1015 power of eminent domain;

1016 (2) Receive or have the right to receive, directly or indirectly,
1017 remuneration under a compensation arrangement with respect to an
1018 eminent domain procedure; or

1019 (3) Knowingly accept employment with a public agency or other
1020 entity with the power of eminent domain for a period of one year
1021 following termination of that person's services with the Office of
1022 Property Rights Ombudsman.

1023 Sec. 21. (NEW) (*Effective July 1, 2006*) (a) The Office of Property
1024 Rights Ombudsman may apply for and accept grants, gifts and
1025 bequests of funds from other states, federal and interstate agencies and
1026 independent authorities and private firms, individuals and
1027 foundations, for the purpose of carrying out its responsibilities.

1028 (b) There is established, within the General Fund, a Property Rights
1029 Ombudsman account that shall be a separate nonlapsing account. Any
1030 funds received under this section shall, upon deposit in the General
1031 Fund, be credited to said account and may be used by the Office of
1032 Property Rights Ombudsman in the performance of its duties.

1033 Sec. 22. (NEW) (*Effective July 1, 2006*) The Property Rights
1034 Ombudsman shall adopt regulations, in accordance with chapter 54 of
1035 the general statutes, to implement sections 15 to 22, inclusive, of this
1036 act and section 4-5 of the general statutes, as amended by this act. Such

1037 regulations shall establish criteria to be used by the Property Rights
1038 Ombudsman in determinations accepting or rejecting a dispute for
1039 arbitration in accordance with section 18 of this act.

1040 Sec. 23. Section 4-5 of the general statutes is repealed and the
1041 following is substituted in lieu thereof (*Effective July 1, 2006*):

1042 As used in sections 4-6, 4-7 and 4-8, the term "department head"
1043 means Secretary of the Office of Policy and Management,
1044 Commissioner of Administrative Services, Commissioner of Revenue
1045 Services, Banking Commissioner, Commissioner of Children and
1046 Families, Commissioner of Consumer Protection, Commissioner of
1047 Correction, Commissioner of Economic and Community Development,
1048 State Board of Education, Commissioner of Emergency Management
1049 and Homeland Security, Commissioner of Environmental Protection,
1050 Commissioner of Agriculture, Commissioner of Public Health,
1051 Insurance Commissioner, Labor Commissioner, Liquor Control
1052 Commission, Commissioner of Mental Health and Addiction Services,
1053 Commissioner of Public Safety, Commissioner of Social Services,
1054 Commissioner of Mental Retardation, Commissioner of Motor
1055 Vehicles, Commissioner of Transportation, Commissioner of Public
1056 Works, Commissioner of Veterans' Affairs, Commissioner of Health
1057 Care Access, Chief Information Officer, the chairperson of the Public
1058 Utilities Control Authority, the executive director of the Board of
1059 Education and Services for the Blind, [and] the executive director of
1060 the Connecticut Commission on Culture and Tourism and the
1061 Property Rights Ombudsman.

1062 Sec. 24. (NEW) (*Effective July 1, 2006*) Prior to proceeding with the
1063 acquisition of real property by eminent domain under any provisions
1064 of the general statutes, the agency proposing to acquire the real
1065 property shall: (1) Before initiating an eminent domain action, make a
1066 reasonable effort to negotiate with the property owner for the purchase
1067 of the property; and (2) as early in the negotiation process for the real
1068 property as practicable, but no later than fourteen days before the

1069 filing of an eminent domain action, unless the court for good cause
1070 allows a shorter period before filing: (A) Advise the property owner of
1071 the owner's rights to mediation and arbitration under section 25 of this
1072 act , including the name and current telephone number of the Property
1073 Rights Ombudsman, established pursuant to sections 15 to 22,
1074 inclusive, of this act, and (B) provide the property owner with a
1075 written statement explaining that oral representations or promises
1076 made during the negotiation process are not binding upon the person
1077 seeking to acquire the property by eminent domain.

1078 Sec. 25. (NEW) (*Effective July 1, 2006*) (a) In any dispute between an
1079 agency proposing to acquire real property by eminent domain and a
1080 private property owner, the private property owner may submit the
1081 dispute for mediation or arbitration to the Property Rights
1082 Ombudsman under sections 15 to 22, inclusive, of this act.

1083 (b) An action submitted to the Property Rights Ombudsman under
1084 authority of this section shall not bar or stay any action for occupancy
1085 of premises which are the subject of the dispute.

1086 (c) A mediator or arbitrator, acting at the request of the property
1087 owner under subdivision (2) of subsection (c) of section 18 of this act,
1088 has standing in an action brought in any court concerning the real
1089 property that is the subject of the dispute to file with such court a
1090 motion to stay the action during the pendency of the mediation or
1091 arbitration. A mediator or arbitrator may not file such a motion unless
1092 the mediator or arbitrator certifies at the time of filing the motion that
1093 a stay is reasonably necessary to reach a resolution of the case through
1094 mediation or arbitration. If a stay is granted and the order granting the
1095 stay does not specify when the stay terminates, the mediator or
1096 arbitrator shall file with the district court a motion to terminate the
1097 stay not more than thirty days after: (1) The resolution of the dispute
1098 through mediation; (2) the issuance of a final arbitration award; or (3) a
1099 determination by the mediator or arbitrator that mediation or
1100 arbitration is not appropriate.

1101 (d) The private property owner or displaced person may request
 1102 that the mediator or arbitrator authorize an additional appraisal. If the
 1103 mediator or arbitrator determines that an additional appraisal is
 1104 reasonably necessary to reach a resolution of the case, the mediator or
 1105 arbitrator may: (1) Have an additional appraisal of the property
 1106 prepared by an independent appraiser; and (2) require the agency
 1107 proposing to acquire the property to pay the costs of the first
 1108 additional appraisal.

1109 Sec. 26. Subsection (b) of section 12-62a of the general statutes is
 1110 repealed and the following is substituted in lieu thereof (*Effective*
 1111 *October 1, 2006, and applicable to assessment years commencing on or after*
 1112 *October 1, 2006*):

1113 (b) Each such municipality shall assess all property for purposes of
 1114 the local property tax at a uniform rate of seventy per cent of present
 1115 true and actual value, as determined under section 12-63. Any
 1116 municipality with a population of more than eighty thousand, by
 1117 ordinance adopted by its legislative body, may (1) classify real estate
 1118 as (A) land or land exclusive of buildings, or (B) buildings on land, and
 1119 (2) establish a different rate of property tax for each class, provided the
 1120 higher rate shall apply to land or land exclusive of buildings. As used
 1121 in this subsection, the term "real estate" does not include farm land,
 1122 forest land and open space land as such terms are defined in section
 1123 12-107b.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2006</i>	8-125
Sec. 2	<i>October 1, 2006</i>	8-127
Sec. 3	<i>October 1, 2006</i>	8-128
Sec. 4	<i>October 1, 2006</i>	8-129
Sec. 5	<i>October 1, 2006</i>	8-187
Sec. 6	<i>from passage</i>	8-189
Sec. 7	<i>October 1, 2006</i>	8-191
Sec. 8	<i>October 1, 2006</i>	8-193

Sec. 9	<i>October 1, 2006</i>	New section
Sec. 10	<i>July 1, 2006, and applicable to income years commencing on or after January 1, 2006</i>	New section
Sec. 11	<i>October 1, 2006</i>	7-148(c)(3)(A)
Sec. 12	<i>October 1, 2006</i>	32-224
Sec. 13	<i>October 1, 2006</i>	1-210(b)
Sec. 14	<i>October 1, 2006</i>	1-225(f)
Sec. 15	<i>July 1, 2006</i>	New section
Sec. 16	<i>July 1, 2006</i>	New section
Sec. 17	<i>July 1, 2006</i>	New section
Sec. 18	<i>July 1, 2006</i>	New section
Sec. 19	<i>July 1, 2006</i>	New section
Sec. 20	<i>July 1, 2006</i>	New section
Sec. 21	<i>July 1, 2006</i>	New section
Sec. 22	<i>July 1, 2006</i>	New section
Sec. 23	<i>July 1, 2006</i>	4-5
Sec. 24	<i>July 1, 2006</i>	New section
Sec. 25	<i>July 1, 2006</i>	New section
Sec. 26	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	12-62a(b)

Statement of Purpose:

To (1) revise the process for taking of real property by municipalities for redevelopment and economic development by (A) excluding residential properties from takings for economic development, (B) increasing compensation to owners of property to an amount not less than one hundred fifty per cent of the property's fair market value and two hundred per cent of the property's fair market value if the property is taken by eminent domain for economic development purposes, (C) requiring two-thirds approval of the legislative body for a taking for economic development, (D) requiring any acquisition of real property by eminent domain be not more than five years after approval of a plan, (E) establishing a grant program to compensate persons for the costs of contesting an eminent domain proceeding, (F) providing a tax credit against the income tax for persons residing in distressed municipalities, (G) requiring disclosure of information on the taking of real property by eminent domain, (H) prohibiting

discussion of the acquisition of real property by eminent domain at executive session meetings, and (I) establishing a Property Rights Ombudsman; and (2) authorizing municipalities to establish separate rates of taxation for real estate.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]