



House of Representatives

General Assembly

File No. 412

January Session, 2007

Substitute House Bill No. 5729

House of Representatives, April 10, 2007

The Committee on Planning and Development reported through REP. FELTMAN of the 6th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE SALE, LEASE OR TRANSFER OF MUNICIPAL PROPERTY.

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

1 Section 1. (NEW) (*Effective October 1, 2007*) (a) The legislative body
2 of a municipality, or in any municipality where the legislative body is
3 a town meeting or representative town meeting, the board of
4 selectmen, shall conduct a public hearing on the sale, lease or transfer
5 of real property owned by the municipality prior to final approval of
6 such sale, lease or transfer. Notice of the hearing shall be published in
7 a newspaper having a general circulation in such municipality where
8 the real property that is the subject of the hearing is located at least
9 twice, at intervals of not less than two days, the first not more than
10 fifteen days or less than ten days and the last not less than two days
11 before the date set for the hearing. The municipality shall also post a
12 sign conspicuously on the real property land that is the subject of the
13 public hearing.

14 (b) The provisions of subsection (a) of this section shall not apply to
15 (1) sales of real property, except parkland, open space or playgrounds,
16 if the fair market value of such property does not exceed ten thousand
17 dollars, and (2) renewals of leases where there is no change in use of
18 the real property.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2007	New section

PD *Joint Favorable Subst.*

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 chamber thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 08 \$	FY 09 \$
Various Municipalities	STATE MANDATE - Cost	See Below	See Below

Explanation

The bill is a state mandate. It is expected to result in a cost to towns that plan to sell, lease or transfer real property they own. The costs will be for (1) conducting a public hearing prior to final approval of the transaction and (2) publication of a public notice for the hearing in a newspaper. The cost to publish a public notice is expected to be minimal. The cost to conduct a public hearing will vary from town to town and may be a significant cost to the town depending on its size (i.e., the cost to a small town may be significant compared to the size of the town’s overall budget.)

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis

sHB 5729

AN ACT CONCERNING THE SALE, LEASE OR TRANSFER OF MUNICIPAL PROPERTY.

SUMMARY:

This bill requires towns to hold a public hearing before they give final approval to the sale, lease, or transfer of town land or buildings. The hearing requirement does not apply to (1) sales of property, other than parkland, open space, or a playground, whose fair market value is \$10,000 or less or (2) lease renewals when the property's use does not change.

Notice of the hearing must be published twice, at least two days apart, in a newspaper with general circulation in the town. The first notice must be published between 10 and 15 days before the hearing; the second must be at least two days before the hearing. The town also must conspicuously post a sign on the property.

EFFECTIVE DATE: October 1, 2007

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 19 Nay 0 (03/23/2007)