



General Assembly

Amendment

February Session, 2008

LCO No. 5119

SB0027505119SD0

Offered by:

SEN. CRISCO, 17th Dist.

REP. O'CONNOR, 35th Dist.

To: Senate Bill No. 275

File No. 62

Cal. No. 89

"AN ACT CONCERNING THE MARKETING AND SALE OF OUT-OF-STATE PROPERTY."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 20-329b of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective October 1, 2008*):

5 (a) (1) Unless the method of disposition is adopted for the purpose
6 of the evasion of the provisions of sections [20-329a] 20-329b to 20-
7 329m, inclusive, as amended by this act, or the provisions of the
8 federal Interstate Land Sales Full Disclosure Act, said sections shall not
9 apply to: [(1)] (A) The making of any offer or disposition of any
10 subdivision or lot, parcel, unit or interest in any subdivision [(A)] (i) by
11 a purchaser of any subdivision lot, parcel or unit for the purchaser's
12 own account in a single or isolated transaction, [(B)] (ii) to any person
13 who is engaged in the business of the construction of residential,
14 commercial or industrial buildings, other than any lot, parcel, unit or

15 interest in any subdivision, for disposition, [(C)] (iii) pursuant to the
16 order of any court in this state, or [(D)] (iv) by any government or
17 government agency; [(2)] (B) any offer or disposition of any evidence
18 of indebtedness secured by way of any mortgage or deed of trust of
19 real estate; [(3)] (C) securities or units of interest issued by an
20 investment trust regulated under the laws of this state; [(4)] (D)
21 cemetery lots; or [(5)] (E) the leasing of apartments, offices or stores, or
22 the leasing of similar space within any apartment building, commercial
23 building or industrial building.

24 (2) No seller shall conduct any marketing, advertising or soliciting
25 in the state for any subdivisions exempted under subparagraph (A) of
26 subdivision (1) of subsection (a) of this section unless such seller
27 submits written notice to the Commissioner of Consumer Protection of
28 such seller's intent to market, advertise or solicit in the state such
29 subdivisions, including such seller's business name, address and
30 telephone number.

31 (b) (1) The commission may, [from time to time,] pursuant to
32 regulations adopted by the Commissioner of Consumer Protection
33 [pursuant to] in accordance with chapter 54, with the advice and
34 assistance of the commission, exempt any subdivision from any of the
35 provisions of sections [20-329a] 20-329b to 20-329m, inclusive, as
36 amended by this act, if the commission finds that the enforcement of
37 said sections, with respect to such subdivision or lots, parcels, units or
38 interests in such subdivision, is not necessary in the public interest and
39 for the protection of purchasers by reason of the small amount
40 involved or the limited character of the offering, or because such
41 property has been registered and approved pursuant to the laws of
42 any other state.

43 (2) The commission may, pursuant to regulations adopted by the
44 Commissioner of Consumer Protection in accordance with chapter 54,
45 with the advice and assistance of the commission, exempt from the
46 provisions of sections 20-329b to 20-329m, inclusive, as amended by
47 this act, (A) a seller or lessor that offers or sells, exchanges, leases,

48 assigns, awards by lottery or otherwise conveys an interest in any
49 improved land outside this state on which there is a residential,
50 commercial, condominium or industrial building, or (B) the sale or
51 lease of land outside this state under a contract obligating such seller
52 or lessor to erect such building thereon not later than two years after
53 the date of the contract. Such regulations shall include, but not be
54 limited to, the establishment of criteria for such exemption and
55 procedures for, and forms of, application.

56 (3) Each seller or lessor granted an exemption pursuant to
57 subdivision (2) of this subsection shall file annually a notice of
58 exemption with the Commissioner of Consumer Protection, on a form
59 approved by said commissioner and containing such information as
60 said commissioner shall require, accompanied by an annual filing fee
61 of three hundred dollars.

62 (c) Any subdivision which has been registered under the federal
63 Interstate Land Sales Full Disclosure Act shall be exempt from the
64 provisions of section 20-329d, except for the narrative description of
65 the promotional plan for the disposition of the subdivided lands and
66 copies of all advertising material which has been prepared for public
67 distribution by any means of communications, required under
68 subdivision (2) of said section, upon the filing with the commission of
69 a copy of an effective statement of record filed with the Secretary of
70 Housing and Urban Development together with a filing fee of three
71 hundred dollars for each subdivision covered by such effective
72 statement of record. The fee for filing a consolidation or an additional
73 number of lots not included in the initial filing shall be three hundred
74 dollars.

75 (d) No person shall (1) knowingly make any false statement or
76 representation, or, with knowledge of its falsity, file or cause to be filed
77 with the commission any false statement or representation concerning
78 any subdivision; (2) issue, circulate or publish, or cause to be issued,
79 circulated or published, by any means, any advertisement, pamphlet,
80 circular or other materials concerning any subdivision that includes

81 any statement or representation that is false, misleading or deceptive,
82 or (3) wilfully violate or fail to comply with any order, decision or
83 requirement imposed by the commission or regulations adopted by the
84 Commissioner of Consumer Protection pursuant to this section. The
85 commission may, after a hearing pursuant to section 20-321, take such
86 action as the commission considers necessary, including the
87 suspension or revocation of any exemption granted pursuant to
88 subdivision (2) of subsection (b) of this section, if justified.

89 (e) A violation of this section shall be deemed an unfair or deceptive
90 trade practice under subsection (a) of section 42-110b."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2008</i>	20-329b