

OFFICE OF LEGISLATIVE RESEARCH  
PUBLIC ACT SUMMARY



**PA 11-79—sSB 860**

*Planning and Development Committee*

**AN ACT CONCERNING BONDS AND OTHER SURETY FOR  
APPROVED SITE PLANS AND SUBDIVISIONS**

**SUMMARY:** This act expands the types of bonds or surety that a person may use to fulfill a bond requirement which a municipal land use commission may require for modified site plan or subdivision approval. Under prior law, a commission could require a bond in an amount and with surety and conditions it set. The act specifies that other bond or surety forms may be used, including, for example, letters of credit, as long as the commission finds acceptable (1) the bond or surety form and (2) the financial institution or other entity issuing any letter of credit.

The act changes the timing of the surety process and provides additional options for the person posting the bond or surety (with certain limitations).

The act also:

1. caps the bond amount a zoning commission may require for site plan modifications;
2. establishes that, for phased development, the surety requirements apply as if each phase is approved as a separate site plan or subdivision; and
3. prohibits any land use commission from requiring a bond or other surety to secure the maintenance of roads, streets, or other maintenance associated with a site plan or subdivision for maintenance occurring after a municipality has accepted the improvements.

The act requires a commission to (1) release all or part of a site plan or subdivision related bond within 65 days of a request by the person who posted the bond, if the commission is reasonably satisfied required work has been completed, or (2) explain in writing what work is still required for release, if it is not reasonably satisfied.

The act also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2011

**SURETY FOR SITE PLAN MODIFICATION AND SUBDIVISION FINAL  
APPROVAL**

*Modified Site Plans*

Under prior law, a municipal land use commission could (1) require a bond in an amount and with surety and conditions it set as a condition for approving any modified site plan or (2) grant an extension for completing work on the modified site plan with approval conditioned on whether the bond or other surety amount was adequate. Prior was law silent on what constitutes “other surety.” The act (1) caps the bond amount on a modified site plan at no more than the cost of

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performing the modifications plus an additional 10% of the bond amount and (2) eliminates the option to condition extension approval on an unspecified amount of bond or other surety. It also specifies the type of surety that may be used to meet the law's bond requirement (see below).

### *Subdivisions*

By law, a land use commission can, for subdivision plan approval, accept a bond in an amount and with surety and conditions it finds satisfactory for securing the actual construction, maintenance, and installation of the subdivision's streets and utilities, as specified in the bond, instead of the work being completed before the final plan is approved. A commission can authorize a developer to file a plan with a conditional approval based on (1) the actual construction, maintenance, and installation of any improvements or utilities the commission sets or (2) a bond. (By law, if work is completed or a bond furnished, the commission must endorse final plan approval.) The act authorizes other surety.

### *Other Surety for Site Plan Modification and Subdivision Approval*

To satisfy a bond requirement for modified site plan or subdivision plan approval, the act requires municipal land use commissions to accept:

1. surety bonds;
2. cash bonds;
3. passbook or statement savings; and
4. other surety, including letters of credit, provided the commission finds the bond or surety and the financial institution or other entity issuing any letter of credit acceptable.

### *Timing*

The act authorizes the person posting the required site or subdivision plan bond to post it at any time before completing all site plan modifications or subdivision public improvements or utilities. But the commission may require a bond or surety for erosion control before work can start.

The act prohibits issuing certificates of occupancy for site plans and transferring lots to buyers for subdivision plans before the required bond or surety is posted.

### BOND RELEASE

Under the act, the commission must release a bond or part of it when reasonably satisfied that the modifications the bond covered have been completed. Prior law was silent on bond release.

If the commission is not satisfied, the act requires it to provide the person posting the bond or surety a written explanation describing the additional modifications that must be completed for release. In the case of a site plan, the act also authorizes a commission's agent to release all or part of a bond or surety.

### BACKGROUND

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### *Planning and Zoning Commissions*

By law, a municipality may have a planning (CGS § 8-18), zoning (CGS § 8-1), or combined planning and zoning commission (CGS § 8-4a). A combined commission has all the powers and duties of both a planning commission and zoning commission.

OLR Tracking: JRH:KM:PF:ro