



# House of Representatives

**File No. 644**

General Assembly

February Session, 2014

**(Reprint of File No. 197)**

Substitute House Bill No. 5055  
As Amended by House Amendment  
Schedule "A"

Approved by the Legislative Commissioner  
April 21, 2014

## ***AN ACT ELIMINATING MUNICIPAL MANDATES.***

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

1 Section 1. Section 14-33 of the 2014 supplement to the general  
2 statutes is repealed and the following is substituted in lieu thereof  
3 (*Effective July 1, 2015*):

4 (a) [Subject to the provisions of subsection (e) of this section, if] If  
5 any property tax, or any installment thereof, laid by any city, town,  
6 borough or other taxing district upon a registered motor vehicle or  
7 snowmobile remains unpaid, the tax collector of such city, town,  
8 borough or other taxing district shall notify the Commissioner of  
9 Motor Vehicles of such delinquency in accordance with subsection (e)  
10 of this section and guidelines and procedures established by the  
11 commissioner. The commissioner shall not issue registration for such  
12 motor vehicle or snowmobile for the next registration period if,  
13 according to the commissioner's records, it is then owned by the  
14 person against whom such tax has been assessed or by any person to  
15 whom such vehicle has not been transferred by bona fide sale. Unless

16 notice has been received by the commissioner under the provisions of  
17 section 14-33a, no such registration shall be issued until the  
18 commissioner receives notification that the tax obligation has been  
19 legally discharged; nor shall the commissioner register any other  
20 motor vehicle, snowmobile, all-terrain vehicle or vessel in the name of  
21 such person, except that the commissioner may continue to register  
22 other vehicles owned by a leasing or rental firm licensed pursuant to  
23 section 14-15, and may issue such registration to any private owner of  
24 three or more paratransit vehicles in direct proportion to the  
25 percentage of total tax due on such vehicles which has been paid and  
26 notice of payment on which has been received. The Commissioner of  
27 Motor Vehicles may immediately suspend or cancel all motor vehicle,  
28 snowmobile, all-terrain vehicle or vessel registrations issued in the  
29 name of any person (1) who has been reported as delinquent and  
30 whose registration was renewed through an error or through the  
31 production of false evidence that the delinquent tax on any motor  
32 vehicle or snowmobile had been paid, or (2) who has been reported by  
33 a tax collector as having paid a property tax on a motor vehicle or  
34 snowmobile with a check which was dishonored by a bank and such  
35 tax remains unpaid. Any person aggrieved by any action of the  
36 commissioner under this section may appeal therefrom in the manner  
37 provided in section 14-134. For the purposes of this subsection,  
38 "paratransit vehicle" means a motor bus, taxicab or motor vehicle in  
39 livery service operated under a certificate of convenience and necessity  
40 issued by the Department of Transportation or by a transit district and  
41 which is on call or demand or used for the transportation of  
42 passengers for hire.

43 (b) Notwithstanding the provisions of subsection (a) of this section,  
44 the Commissioner of Motor Vehicles, in consultation with the  
45 Treasurer and the Secretary of the Office of Policy and Management,  
46 may enter into an agreement with the tax collector of any city, town,  
47 borough or other taxing district whereby the commissioner shall  
48 collect any property tax or any installment thereof on a registered  
49 motor vehicle which remains unpaid from any person against whom

50 such tax has been assessed who makes application for registration for  
51 such motor vehicle. Each such agreement shall include a procedure for  
52 the remission of taxes collected to the city, town, borough or other  
53 taxing district, on a regular basis, and may provide that a fee be paid  
54 by the city, town, borough or other taxing district to the commissioner  
55 to cover any costs associated with the administration of the agreement.  
56 In the event an agreement is in effect, the commissioner shall  
57 immediately issue a registration for a motor vehicle owned by a person  
58 against whom such tax has been assessed upon receipt of payment of  
59 such tax and a service fee of two dollars, in addition to the fee  
60 prescribed for the renewal of the registration.

61 (c) On and after March 1, 1989, any municipality may participate in  
62 a program administered by the Commissioner of Motor Vehicles to  
63 facilitate the payment of fines for parking violations. If any such  
64 municipality elects to participate in such program, it shall provide for a  
65 notice of violation to be served personally upon the operator of a  
66 motor vehicle who is present at the time of service. If the operator is  
67 not present, the notice shall be served upon the owner of the motor  
68 vehicle by affixing notice to said vehicle in a conspicuous place. In the  
69 case of any motor vehicle that is leased or rented by the owner, not  
70 more than thirty days after the initial notice of a parking violation for  
71 which a fine remains unpaid at such time, a second notice of violation  
72 shall be mailed to the address of record of the owner leasing or renting  
73 the motor vehicle to such operator. No fines or penalties shall accrue to  
74 the owner of such rented or leased vehicle for the violation for a period  
75 of sixty days after the second notice is mailed. Upon receipt of such  
76 notification, the owner of such rented or leased vehicle may notify the  
77 municipality as to whom the lessee was at the time of such issuance of  
78 the notice of violation, the lessee's address, motor vehicle operator's  
79 license number and state of issuance, and the municipality shall issue  
80 such notice of violation to such lessee. A participating municipality  
81 shall notify the commissioner of every owner of a registered motor  
82 vehicle who has unpaid fines for more than five parking violations  
83 committed within such municipality on and after March 1, 1989. Upon

84 receipt of such notification, the commissioner shall not issue or renew  
85 the motor vehicle registration of such person until he receives  
86 notification from such municipality that the delinquent fines have been  
87 paid.

88 (d) The provisions of subsection (c) of this section shall not apply to  
89 any person, firm or corporation engaged in the business of leasing or  
90 renting motor vehicles without drivers in this state with respect to any  
91 motor vehicle which is leased or rented. The commissioner shall adopt  
92 regulations, in accordance with chapter 54, to implement the  
93 provisions of subsection (c) of this section.

94 (e) [On and after July 1, 2004, each city and town shall make an  
95 annual payment to the Commissioner of Motor Vehicles, in an amount  
96 determined by the Secretary of the Office of Policy and Management,  
97 in order to participate in the program administered by the Department  
98 of Motor Vehicles pursuant to subsection (a) of this section. Such  
99 amount shall be each city or town's proportionate cost of the  
100 administration of said program, to be determined as follows: The  
101 number obtained by multiplying said program's administrative cost by  
102 a fraction the numerator of which shall be the city or town's population  
103 and the denominator of which shall be the population of the state. As  
104 used in this section, "population" means the number of persons in the  
105 city or town according to the most recent estimate made, pursuant to  
106 section 19a-2a, by the Department of Public Health. The commissioner  
107 shall, on or before July fifteenth, annually, certify to said secretary the  
108 commissioner's cost to administer said program. The secretary shall,  
109 on or before August first, annually, notify the chief executive officer of  
110 each city and town of the amount such city or town is required to pay  
111 to the commissioner and such amount shall be payable not later than  
112 September first following said notification date. All amounts received  
113 by the commissioner pursuant to this subsection shall be deposited  
114 into the General Fund. If a city or town fails to annually pay its  
115 proportionate share of said program's administrative cost, the] The tax  
116 collector of a city, town, borough or other district shall, at least once  
117 during each calendar month, notify the Commissioner of Motor

118 Vehicles of any outstanding delinquent property tax payment or  
119 installment thereof for a registered motor vehicle or snowmobile. If a  
120 tax collector fails to provide such notice to the commissioner, the  
121 commissioner shall not be required to deny the issuance of a  
122 registration, pursuant to subsection (a) of this section, to the person  
123 against whom such tax has been assessed by said city or town, or by a  
124 borough or other taxing district located therein.

125 (f) Any city, town, borough or other taxing district that notifies the  
126 commissioner of (1) a delinquency in accordance with subsection (a) of  
127 this section, or (2) an owner of a registered motor vehicle who has  
128 unpaid fines for more than five parking violations in accordance with  
129 subsection (c) of this section, may participate in a program to issue  
130 temporary registrations for passenger motor vehicles on behalf of the  
131 commissioner to persons whose registrations have been denied, and  
132 who subsequently make full payment to the city, town, borough or  
133 other taxing district for the amounts owed under said subsections. A  
134 participating city, town, borough or other taxing district shall issue  
135 such temporary registrations in accordance with subsection (i) of  
136 section 14-12 and shall retain the fees authorized in subsection (n) of  
137 section 14-49 for such registrations. The commissioner may adopt  
138 regulations in accordance with chapter 54 to carry out the provisions of  
139 this subsection.

140 Sec. 2. (NEW) (*Effective from passage*) (a) Notwithstanding any  
141 provision of the general statutes, any municipal charter, any special act  
142 or any home rule ordinance, any municipality required to effect a  
143 revaluation of real property under section 12-62 of the general statutes  
144 for the assessment year commencing October 1, 2013, or October 1,  
145 2014, shall not be required to effect a revaluation prior to the  
146 assessment year commencing October 1, 2015, provided any decision  
147 not to implement a revaluation pursuant to this subsection is approved  
148 by the legislative body of such municipality. The rate maker, as  
149 defined in section 12-131 of the general statutes, in any municipality  
150 that elects, pursuant to this subsection, not to implement a revaluation,  
151 may prepare new rate bills under the provisions of chapter 204 of the

152 general statutes in order to carry out the provisions of this subsection.  
153 Any municipality that elects, pursuant to this subsection, not to  
154 implement a revaluation for the assessment year commencing October  
155 1, 2013, or October 1, 2014, shall implement a revaluation not later than  
156 the first day of October five years after the assessment date on which  
157 such deferred revaluation becomes effective.

158 (b) Notwithstanding any provision of the general statutes, any  
159 municipal charter, any special act or any home rule ordinance, any  
160 municipality that is in the process of phasing in a real property  
161 assessment increase or a portion of such increase as of July 1, 2014,  
162 may suspend such phase-in for a period of time, but not later than the  
163 assessment year commencing October 1, 2015, provided any decision  
164 to suspend a phase-in pursuant to this subsection is approved by the  
165 legislative body of such municipality. The rate maker, as defined in  
166 section 12-131 of the general statutes, in any municipality that elects,  
167 pursuant to this subsection, to suspend a phase-in may prepare new  
168 rate bills under the provisions of chapter 204 of the general statutes in  
169 order to carry out the provisions of this subsection.

170 (c) The assessor or board of assessors of any municipality that elects,  
171 pursuant to subsection (a) of this section, not to implement a  
172 revaluation of real property for the assessment year commencing  
173 October 1, 2013, or October 1, 2014, or, pursuant to subsection (b) of  
174 this section, to suspend a phase-in of an assessment increase for the  
175 assessment year commencing October 1, 2013, shall prepare a revised  
176 grand list for said assessment year, which shall reflect the assessments  
177 of real estate according to the grand list in effect for the assessment  
178 year commencing October 1, 2012, subject only to transfers of  
179 ownership, additions for new construction and reductions for  
180 demolitions. Such assessor shall send notice of any increase in the  
181 valuation of real estate over the valuation of such real estate as of  
182 October 1, 2012, or notice of the valuation of any real estate that is on  
183 the grand list to be effective for the October 1, 2013, assessment year,  
184 but was not on such list in the prior assessment year, to the last-known  
185 address of the person whose valuation is so affected, and such person

186 shall have the right to appeal such increase or valuation during the  
187 next regular session of the board of assessment appeals at which real  
188 estate appeals may be heard.

189 Sec. 3. Section 7-163b of the general statutes is repealed. (*Effective*  
190 *July 1, 2014*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2015</i>	14-33
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>July 1, 2014</i>	Repealer section

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

### **OFA Fiscal Note**

#### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 15 \$</b>	<b>FY 16 \$</b>
Department of Revenue Services	GF - Revenue Loss	None	Approximately \$800,000

#### **Municipal Impact:**

<b>Municipalities</b>	<b>Effect</b>	<b>FY 15 \$</b>	<b>FY 16 \$</b>
All Municipalities	Savings	None	Approximately \$800,000

### **Explanation**

The bill eliminates the requirement that municipalities pay to participate in the Department of Motor Vehicles' delinquent property tax enforcement program. This results in a General Fund revenue loss and a corresponding cumulative savings to municipalities, of approximately \$800,000 beginning in FY 16.

The bill also allows municipalities to delay certain scheduled revaluations or phase-ins of assessment increases from previous revaluations. This defers any costs associated with a revaluation and future changes in municipal grand lists resulting from revaluations.

House "A" allows municipalities to delay certain scheduled revaluations or phase-ins of assessment increases from previous revaluations, resulting in the above identified fiscal impact.

### **The Out Years**

The annualized ongoing fiscal impact identified above would

continue into the future subject to inflation.

**OLR Bill Analysis****sHB 5055 (as amended by House "A")\******AN ACT ELIMINATING MUNICIPAL MANDATES.*****SUMMARY:**

This bill authorizes municipalities to delay a revaluation scheduled to be implemented in the 2013 or 2014 assessment year until, at the latest, the 2015 assessment year. It allows a similar delay for municipalities phasing in assessment increases from an earlier revaluation.

The bill (1) eliminates the requirement that municipalities pay to participate in the Department of Motor Vehicles' (DMV) delinquent property tax enforcement program and (2) requires municipalities participating in this program to report property tax delinquencies to DMV at least once a month.

The bill also repeals a requirement that municipalities annually report to the Connecticut Siting Council on the location, type, and height of existing telecommunications towers and existing and proposed antennae subject to local jurisdiction.

\*House Amendment "A" (1) allows municipalities scheduled to implement a revaluation in the 2014 assessment year to delay it for one year; (2) makes the revaluation provisions effective upon passage; and (3) requires municipalities to report to DMV at least once a month, instead of between the first and 15<sup>th</sup> of each month.

EFFECTIVE DATE: Upon passage, except for the Connecticut Siting Council provision, which is effective July 1, 2014, and the DMV provision, which is effective July 1, 2015.

**DELAYING REVALUATION OR PHASED-IN REVALUATION**

The bill allows a municipality, by vote of its legislative body, to delay a revaluation scheduled to be implemented in the 2013 or 2014 assessment year until, at the latest, the 2015 assessment year. Municipalities opting to delay their 2013 or 2014 revaluations must implement their next revaluation within five years after the date the delayed revaluation takes effect (e.g., if a 2013 assessment year revaluation is delayed until the 2015 assessment year, the next revaluation must occur during or before the 2020 assessment year). The bill also allows a municipality in the process of a revaluation phase-in as of July 1, 2014, by vote of its legislative body, to suspend it until, at the latest, the 2015 assessment year. Presumably, the existing phase-in schedule for a municipality that adopts a one- or two-year suspension may resume after the suspension at the point where the suspension started.

The bill requires the assessor or board of assessors in a municipality that delays a revaluation or suspends a phase-in to prepare a revised grand list that reflects the assessments for the 2012 assessment year, subject only to changes in ownership, new construction, and demolitions. The assessor must send to the affected individual's last-known address, notice of (1) any increase in the valuation of real estate over its 2012 valuation or (2) for new real estate, the valuation that will appear on the 2013 grand list. The individual can appeal the increase or valuation during the next regular session of the board of assessment appeals at which appeals may be heard. The bill allows the individual or entity authorized by law to prepare rate bills in a municipality to prepare new rate bills.

#### **DELINQUENT PROPERTY TAX ENFORCEMENT PROGRAM**

DMV's delinquent property tax enforcement program prevents individuals with delinquent motor vehicle or snowmobile property taxes from registering a motor vehicle, snowmobile, all-terrain vehicle, or vessel. Under current law, to participate in this program, municipalities must (1) notify DMV when a taxpayer is delinquent on his or her motor vehicle or snowmobile property taxes and (2) pay

annually their proportionate share, based on population, of the cost to administer the program. The bill eliminates the requirement that municipalities pay to participate.

The bill also specifies that municipal tax collectors must notify DMV of delinquent property taxes at least once a month. Under the bill, during a month in which a tax collector fails to provide this information, DMV is not required to deny registrations or registration renewals. By law, municipal tax collectors must immediately notify DMV when a taxpayer previously reported as delinquent is no longer delinquent (CGS § 14-33a).

**BACKGROUND**

***Revaluation***

The law requires municipalities to tax property based on its fair market value as of October 1 annually. Municipalities begin taxing property based on those values during the next fiscal year. For example, municipalities that revalued property as of October 1, 2012 had to tax it based on those values in the fiscal year beginning July 1, 2013.

Because market values change over time, the law requires municipalities to revalue all property at least once every five years. The law allows municipalities to phase-in some or all of an increase or decrease in a property’s assessed value over a period of up to five years.

**COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable Substitute  
Yea 15 Nay 0 (03/12/2014)

Finance, Revenue and Bonding Committee

Joint Favorable  
Yea 41 Nay 9 (04/11/2014)