



House of Representatives

File No. 512

General Assembly

February Session, 2014

(Reprint of File No. 198)

Substitute House Bill No. 5056
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
April 11, 2014

**AN ACT MAKING TECHNICAL AMENDMENTS TO CERTAIN
STATUTES CONCERNING MUNICIPALITIES, REGIONAL PLANNING
ORGANIZATIONS AND TAX EXEMPTIONS AND CONCERNING
GROWTH-RELATED PROJECTS.**

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

1 Section 1. Section 4d-90 of the 2014 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective January 1, 2015*):

4 (a) The Office of Policy and Management shall constitute a successor
5 department to the Geospatial Information Systems Council in
6 accordance with the provisions of sections 4-38d and 4-39.

7 (b) The Secretary of the Office of Policy and Management shall
8 coordinate geospatial information system capacity for municipalities,
9 regional [planning agencies] councils of governments and the state and
10 establish policies for the collection, management and distribution of
11 geospatial information. The secretary shall set standards for the
12 acquisition, management and reporting of geospatial information and

13 the acquisition, creation or use of applications employing such
14 information by any executive branch agency. In establishing such
15 capacity, policies or standards the secretary shall consult with
16 municipalities, regional [planning agencies] councils of governments,
17 state agencies and other users of geospatial information system
18 technology. The purpose of any such system shall be to facilitate
19 communication and coordination regarding the use of geospatial
20 information system technology, eliminate duplicative use of such
21 technology and expand the use of geospatial information within the
22 state.

23 (c) The secretary may apply for federal grants and may accept and
24 expend such grants on behalf of the state.

25 (d) The secretary shall, within available appropriations, administer a
26 program of technical assistance to municipalities and regional
27 [planning agencies] councils of governments to develop geospatial
28 information systems and shall periodically recommend improvements
29 to the geospatial information system provided for in subsection (b) of
30 this section.

31 (e) On or before January 1, 2014, and annually thereafter, the
32 secretary shall submit, in accordance with section 11-4a, a report on
33 activities under this section to the joint standing committee of the
34 General Assembly having cognizance of matters relating to planning
35 and development.

36 Sec. 2. Subsection (c) of section 13a-98n of the 2014 supplement to
37 the general statutes is repealed and the following is substituted in lieu
38 thereof (*Effective January 1, 2015*):

39 (c) The Department of Transportation shall accept applications for
40 such state funding from any eligible recipient, based on project
41 priorities, through the appropriate regional [planning agency] council
42 of governments. Any such state funding shall be provided to the
43 recipient through guidelines developed by the Department of
44 Transportation.

45 Sec. 3. Subsection (i) of section 12-157 of the 2014 supplement to the
46 general statutes is repealed and the following is substituted in lieu
47 thereof (*Effective from passage*):

48 (i) (1) If the sale realizes an amount in excess of the amount needed
49 to pay all delinquent taxes, interest, penalties, fees, and costs, the
50 amount of the excess shall be held in an interest-bearing escrow
51 account separate from all other accounts of the municipality. (A) If the
52 property is redeemed prior to the expiration of the redemption period,
53 the amount held in escrow shall, within ten days of the tax collector
54 receiving notice of redemption, be turned over to the purchaser. Any
55 interest earned shall be the property of the municipality. (B) If the
56 property is not redeemed in the redemption period, the amount held
57 in escrow may be used to pay the delinquent taxes, interest, penalties,
58 fees and costs on the same or any other property of the taxpayer,
59 including personal property and motor vehicles. In the case of
60 subparagraph (B) of this subdivision, the tax collector shall, within ten
61 days of the expiration of the redemption period, pay to the clerk of the
62 court for the judicial district in which the property is located the
63 amount held in escrow remaining after paying the delinquent taxes,
64 interest, fees, penalties and costs owed by the taxpayer to the
65 municipality. The tax collector shall, within five days of the payment,
66 provide notice to the delinquent taxpayer, any mortgagee, lienholder,
67 or other encumbrancer of record whose interest in such property is
68 choate and is affected by the sale, by certified mail, return receipt
69 requested of the name and address of the court to which the moneys
70 were paid, the person's right to file an application with the court for
71 return of said money, and the amount of money paid to the court.

72 (2) If the tax collector pays to the court any moneys pursuant to
73 subparagraph (B) of subdivision (1) of this subsection, the delinquent
74 taxpayer, any mortgagee, lienholder or other encumbrancer whose
75 interest in such property is choate and is affected by the sale may,
76 within ninety days of the date the tax collector paid the moneys to the
77 court, file an application with the court for return of the proceeds. Any
78 person may make an application for payment of moneys deposited in

79 court as provided for in this subsection to the superior court for the
80 judicial district in which the property that is the subject of the
81 proceedings referred to is located, or if said court is not in session to
82 any judge thereof, for a determination of the equity of the parties
83 having an interest in such moneys. Notice of such application shall be
84 served in the same manner as to commence a civil action on all persons
85 having an interest of record in such property on the date the collector's
86 deed is recorded, provided the municipality shall not be a party to
87 such action without its consent. The court or judge upon such motion
88 or upon its own motion may appoint a state referee to hear the facts
89 and to make a determination of the equity of the parties in such
90 moneys. Such referee, after providing at least ten days' notice to the
91 parties interested of the time and place of hearing, shall hear the
92 applicant and any parties interested, take such testimonies as such
93 referee deems material and determine the equities of the parties having
94 a record interest in such moneys and immediately report to the court
95 or judge. The report shall contain a detailed statement of findings by
96 the referee, sufficient to enable the court to determine the
97 considerations upon which the referee based his conclusions. The
98 report may be rejected for any irregular or improper conduct in the
99 performance of the duties of such referee. If the report is rejected, the
100 court or judge shall appoint another referee to make such
101 determination and report. If the report is accepted, such determination
102 of the equities shall be conclusive upon all parties given notice of such
103 hearing, subject to appeal to the Appellate Court. If no appeal to the
104 Appellate Court is filed within the time allowed by law, or if one is
105 filed and the proceedings have terminated in a final judgment
106 determining the amount due to each party, the clerk shall send a
107 certified copy of the statement of compensation and of the judgment to
108 the prevailing party or parties, as the case may be, which shall, upon
109 receipt thereof, pay such parties the amount due them as
110 compensation.

111 (3) If no application is filed with the court, any moneys held by the
112 court shall escheat to the state pursuant to the provisions of part III of

113 chapter 32.

114 Sec. 4. Subsection (b) of section 12-130 of the 2014 supplement to the
115 general statutes is repealed and the following is substituted in lieu
116 thereof (*Effective from passage*):

117 (b) The mill rate to be inserted in the statement of state aid to
118 municipalities required by subsection (a) of this section shall be
119 computed on the total estimated revenues required to fund the
120 estimated expenditures of the municipality exclusive of assistance
121 received or anticipated from the state.

122 Sec. 5. Subsection (a) of section 16a-35c of the 2014 supplement to
123 the general statutes is repealed and the following is substituted in lieu
124 thereof (*Effective October 1, 2014*):

125 (a) As used in this section and sections 16a-35d to 16a-35g, inclusive:

126 (1) "Funding" includes any form of assurance, guarantee, grant
127 payment, credit, tax credit or other assistance, including a loan, loan
128 guarantee, or reduction in the principal obligation of or rate of interest
129 payable on a loan or a portion of a loan;

130 (2) "Growth-related project" means any project [which] that includes
131 (A) the acquisition of real property when the acquisition costs are in
132 excess of [one] two hundred thousand dollars, except the acquisition of
133 open space for the purposes of conservation or preservation; (B) the
134 development or improvement of real property when the development
135 costs are in excess of [one] two hundred thousand dollars; (C) the
136 acquisition of public transportation equipment or facilities when the
137 acquisition costs are in excess of [one] two hundred thousand dollars;
138 or (D) the authorization of each state grant, any application for which
139 is not pending on July 1, 2006, for an amount in excess of [one] two
140 hundred thousand dollars, for the acquisition or development or
141 improvement of real property or for the acquisition of public
142 transportation equipment or facilities, except the following: (i) Projects
143 for maintenance, repair [, additions] or renovations to existing

144 facilities, acquisition of land for telecommunications towers whose
145 primary purpose is public safety, parks, conservation and open space,
146 and acquisition of agricultural, conservation and historic easements;
147 (ii) funding by the Department of Housing for any project financed
148 with federal funds used to purchase or rehabilitate existing single or
149 multi-family housing or projects financed with the proceeds of revenue
150 bonds if the Commissioner of Housing determines that application of
151 this section and sections 16a-35d and 16a-35e (I) conflicts with any
152 provision of federal or state law applicable to the issuance or tax-
153 exempt status of the bonds or any provision of any trust agreement
154 between the Department of Housing and any trustee, or (II) would
155 otherwise prohibit financing of an existing project or financing
156 provided to cure or prevent any default under existing financing; (iii)
157 projects that the Commissioner of Housing determines promote fair
158 housing choice and racial and economic integration as described in
159 section 8-37cc; (iv) projects at an existing facility needed to comply
160 with state environmental or health laws or regulations adopted
161 thereunder; (v) school construction projects funded by the Department
162 of Education under chapter 173; (vi) libraries; (vii) municipally owned
163 property or public buildings used for government purposes; and (viii)
164 any other project, funding or other state assistance not included under
165 subparagraphs (A) to (D), inclusive, of this subdivision; [.]

166 (3) "Priority funding area" means the area of the state designated
167 under subsection (b) of this section.

168 Sec. 6. Section 12-120b of the 2014 supplement to the general statutes
169 is repealed and the following is substituted in lieu thereof (*Effective*
170 *from passage*):

171 (a) As used in this section:

172 (1) "Claimant" means a person, company, limited liability company,
173 firm, association, corporation or other business entity having received
174 approval for financial assistance from a town's assessor or a municipal
175 official;

176 (2) "Financial assistance" means a property tax exemption, property
177 tax credit or rental rebate for which the state of Connecticut provides
178 direct or indirect reimbursement; and

179 (3) "Program" means (A) property tax exemptions under section 12-
180 81g or subdivision (55), (59), (60) [] or (70) [, (72) or (74)] of section 12-
181 81, and (B) tax relief pursuant to section 12-129d or 12-170aa.

182 (b) A claimant negatively affected by a decision of the Secretary of
183 the Office of Policy and Management with respect to any program may
184 appeal such decision in the manner set forth in subsection (d) of this
185 section. Any notice the secretary issues pursuant to this section shall be
186 sent by first class United States mail to a claimant at the address
187 entered on the application for financial assistance as filed unless,
188 subsequent to the date of said filing, the claimant sends the secretary a
189 written request that any correspondence regarding said financial
190 assistance be sent to another name or address. The date of any notice
191 sent by the secretary pursuant to this section shall be deemed to be the
192 date the notice is delivered to the claimant.

193 (c) The secretary may review any application for financial assistance
194 submitted by a claimant in conjunction with a program. The secretary
195 may exclude from reimbursement any property included in an
196 application that, in the secretary's judgment, does not qualify for
197 financial assistance or may modify the amount of any financial
198 assistance approved by an assessor or municipal official in the event
199 the secretary finds it to be mathematically incorrect, not supported by
200 the application, not in conformance with law or if the secretary
201 believes that additional information is needed to justify its approval.

202 (d) (1) If the secretary modifies the amount of financial assistance
203 approved by an assessor or municipal official under a program, or
204 makes a preliminary determination that the claimant who filed written
205 application for such financial assistance is ineligible therefor, the
206 secretary shall send a written notice of preliminary modification or
207 denial to said claimant and shall concurrently forward a copy to the

208 office of the assessor or municipal official who approved said financial
209 assistance. The notice shall include plain language setting forth the
210 reason for the preliminary modification or denial, the name and
211 telephone number of a member of the secretary's staff to whom
212 questions regarding the notice may be addressed, a request for any
213 additional information or documentation that the secretary believes is
214 needed in order to justify the approval of such financial assistance, the
215 manner by which the claimant may request reconsideration of the
216 secretary's preliminary determination and the timeframe for doing so.
217 Not later than ninety days after the date an assessor receives a copy of
218 such preliminary notice, the assessor shall determine whether an
219 increase to the taxable grand list of the town is required to be made as
220 a result of such modification or denial, unless, in the interim, the
221 assessor has received written notification from the secretary that a
222 request for a hearing with respect to such financial assistance has been
223 approved pursuant to subparagraph (B) of subdivision (2) of this
224 subsection. If an assessment increase is warranted, the assessor shall
225 promptly issue a certificate of correction adding the value of such
226 property to the taxable grand list for the appropriate assessment year
227 and shall forward a copy thereof to the tax collector, who shall, not
228 later than thirty days following, issue a bill for the amount of the
229 additional tax due as a result of such increase. Such additional tax shall
230 become due and payable not later than thirty days from the date such
231 bill is sent and shall be subject to interest for delinquent taxes as
232 provided in section 12-146. With respect to the preliminary
233 modification or denial of financial assistance for which a hearing is
234 held, the assessor shall not issue a certificate of correction until the
235 assessor receives written notice of the secretary's final determination
236 following such hearing.

237 (2) (A) Any claimant aggrieved by the secretary's notice of
238 preliminary modification or denial of financial assistance under a
239 program may, not later than thirty business days after receiving said
240 notice, request a reconsideration of the secretary's decision for any
241 factual reason, provided the claimant states the reason for the

242 reconsideration request in writing and concurrently provides any
243 additional information or documentation that the secretary may have
244 requested in the preliminary notice of modification or denial. The
245 secretary may grant an extension of the date by which a claimant's
246 additional information or documentation must be submitted, upon
247 receipt of proof that the claimant has requested such data from another
248 governmental agency or if the secretary determines there is good cause
249 for doing so.

250 (B) Not later than thirty business days after receiving a claimant's
251 request for reconsideration and any additional information or
252 documentation the claimant has provided, the secretary shall
253 reconsider the preliminary decision to modify or deny said financial
254 assistance and shall send the claimant a written notice of the
255 secretary's determination regarding such reconsideration. If aggrieved
256 by the secretary's notice of determination with respect to the
257 reconsideration of said financial assistance, the claimant may, not later
258 than thirty business days after receiving said notice, make application
259 for a hearing before said secretary, or the secretary's designee. Such
260 application shall be in writing and shall set forth the reason why the
261 financial assistance in question should not be modified or denied. Not
262 later than thirty business days after receiving an application for a
263 hearing, the secretary shall grant or deny such hearing request by
264 written notice to the claimant. If the secretary denies the claimant's
265 request for a hearing, such notice shall state the reason for said denial.
266 If the secretary grants the claimant's request for a hearing, the secretary
267 shall send written notice of the date, time and place of the hearing,
268 which shall be held not later than thirty business days after the date of
269 the secretary's notice granting the claimant a hearing. Such hearing
270 may, at the secretary's discretion, be held in the judicial district in
271 which the claimant or the claimant's property is located. Not later than
272 thirty business days after the date on which a hearing is held, a written
273 notice of the secretary's determination with respect to such hearing
274 shall be sent to the claimant and a copy thereof shall be concurrently
275 sent to the assessor or municipal official who approved the financial

276 assistance in question.

277 (3) If any claimant is aggrieved by the secretary's determination
278 concerning the hearing regarding the claimant's financial assistance or
279 the secretary's decision not to hold a hearing, such claimant may, not
280 later than thirty business days after receiving the secretary's notice
281 related thereto, appeal to the superior court of the judicial district in
282 which the claimant resides or in which the claimant's property that is
283 the subject of the appeal is located. Such appeal shall be accompanied
284 by a citation to the secretary to appear before said court, and shall be
285 served and returned in the same manner as is required in the case of a
286 summons in a civil action. The pendency of such appeal shall not
287 suspend any action by a municipality to collect property taxes from the
288 applicant on the property that is the subject of the appeal. The
289 authority issuing the citation shall take from the applicant a bond or
290 recognizance to the state of Connecticut, with surety, to prosecute the
291 application in effect and to comply with the orders and decrees of the
292 court in the premises. Such applications shall be preferred cases, to be
293 heard, unless cause appears to the contrary, at the first session, by the
294 court or by a committee appointed by the court. Said court may grant
295 such relief as may be equitable and, if the application is without
296 probable cause, may tax double or triple costs, as the case demands;
297 and, upon all applications which are denied, costs may be taxed
298 against the applicant at the discretion of the court, but no costs shall be
299 taxed against the state.

300 (4) The secretary shall notify each claimant of the final modification
301 or denial of financial assistance as claimed, in accordance with the
302 procedure set forth in this subsection. A copy of the notice of final
303 modification or denial shall be sent concurrently to the assessor or
304 municipal official who approved such financial assistance. With
305 respect to property tax exemptions under section 12-81g or subdivision
306 (55), (59), (60) or (70) of section 12-81, and tax relief pursuant to section
307 12-129d or 12-170aa, the notice pursuant to this subdivision shall be
308 sent not later than one year after the date claims for financial assistance
309 for each such program are filed with the secretary. [For property tax

310 exemptions under subdivision (72) or (74) of section 12-81, such notice
311 shall be sent not later than the date by which a final modification to the
312 payment for such program must be reflected in the certification of the
313 secretary to the Comptroller.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2015</i>	4d-90
Sec. 2	<i>January 1, 2015</i>	13a-98n(c)
Sec. 3	<i>from passage</i>	12-157(i)
Sec. 4	<i>from passage</i>	12-130(b)
Sec. 5	<i>October 1, 2014</i>	16a-35c(a)
Sec. 6	<i>from passage</i>	12-120b

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: None

Municipal Impact: None

Explanation

The bill increases the threshold at which a state-funded development project is considered a growth related project. This clarifying change, which has no fiscal impact, aligns the threshold for growth-related projects with the threshold the law sets for state agency actions that must be consistent with the State Plan of Conservation and Development.

The bill makes other technical changes to statutes concerning regional planning agencies, which have no fiscal impact.

House "A" strikes the underlying bill and results in the above identified fiscal impact.

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 5056 (as amended by House "A")******AN ACT MAKING TECHNICAL AMENDMENTS TO CERTAIN STATUTES CONCERNING MUNICIPALITIES AND REGIONAL PLANNING ORGANIZATIONS AND CONCERNING GROWTH-RELATED PROJECTS.*****SUMMARY:**

This bill raises, from \$100,000 to \$200,000, the threshold at which certain state agency capital projects and grant authorizations are considered growth-related projects and thus must be undertaken in designated priority funding areas. Existing law (1) requires the State Plan of Conservation and Development (C&D) to identify these areas and (2) generally prohibits state agencies, departments, or institutions from providing funding for growth-related projects outside of these areas. By raising this threshold, the bill aligns it with the threshold the law sets for state agency actions that must be consistent with the State Plan of C&D (§ 5).

The bill subjects state grants of more than \$200,000 to the priority funding area restrictions if the grant is for a project that adds to an existing facility. As under current law, grants for certain projects and activities, including for maintaining, repairing, or renovating existing facilities, are exempt from the restrictions (§ 5).

The bill makes changes to conform with PA 13-247, which eliminates regional planning agencies (RPA) after January 1, 2015, leaving regional councils of governments (COG) as the only regional planning organizations within the state's planning regions (§§ 1 & 2).

The bill also makes technical changes (§§ 3, 4 & 6).

*House Amendment "A" (1) removes a section making a

conforming change related to the elimination of RPAs and (2) makes technical changes to the administrative review procedure for certain tax exemptions.

EFFECTIVE DATE: Upon passage, except for the growth-related project provisions, which are effective October 1, 2014, and the COG provisions, which are effective January 1, 2015.

STATE FUNDING FOR GROWTH-RELATED PROJECTS

Project Thresholds

The bill raises, from \$100,000 to \$200,000, the threshold at which the following activities are considered growth-related projects:

1. acquiring real property, other than open space for conservation or preservation purposes;
2. developing or improving real property;
3. acquiring public transportation facilities or equipment; and
4. authorizing state grants, with certain exceptions, if the grant application was not pending on July 1, 2006, to (a) acquire, develop, or improve real property or (b) acquire public transportation equipment or facilities.

By law, when the state agency actions described above exceed \$200,000 and are funded by the state or federal government, they must be consistent with the State Plan of C&D (CGS § 16a-31).

BACKGROUND

State Plan of C&D and Priority Funding Areas

The State Plan of C&D is a statement of the state's development, resource management, and public investment policies. The Office of Policy and Management develops the plan, which goes before the legislature for a hearing and approval.

Under the plan, the boundaries of priority funding areas are census

blocks:

1. designated by the U.S. Census as an urban area or urban cluster,
2. with a boundary intersecting a half-mile buffer around existing or planned mass-transit stations,
3. with existing or planned sewer service,
4. with existing or planned water service, or
5. with local bus service provided seven days a week.

State agencies funding or undertaking a growth-related project must do so in such areas, unless the agency complies with the statutory exception process.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 15 Nay 0 (03/12/2014)