



**House Bill No. 5479**

**Public Act No. 16-180**

**AN ACT CONCERNING THE STATE REAL PROPERTY INVENTORY, MUNICIPAL PENSION OBLIGATION BONDS AND MUNICIPAL RESERVE FUNDS.**

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

Section 1. Subsection (e) of section 4-67g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(e) Not later than [March 15, 2013] July 1, 2016, and annually thereafter, the Secretary of the Office of Policy and Management shall submit a copy of such inventories, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to government administration and appropriations and the budgets of state agencies.

Sec. 2. (*Effective from passage*) Notwithstanding the provisions of subsection (e) of section 7-374c of the general statutes or of any special act, charter, special act charter, home-rule ordinance, local ordinance or local law, a municipality, as defined in section 7-369 of the general statutes, may, by vote of its legislative body, issue pension deficit funding bonds or temporary notes in anticipation of the receipt of the proceeds from the sale of such bonds, provided: (1) The amount of

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such temporary notes does not exceed the amount of such bonds, and (2) the purpose for which the pension deficit funding bonds or temporary notes are issued is to fulfil obligations of the municipality regarding lump sum payments to beneficiaries of a closed pension fund.

Sec. 3. Section 7-360 of the 2016 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2016*):

Upon the recommendation and approval of the budget-making authority, the legislative body of any municipality, by a majority vote, may create a reserve fund for capital and nonrecurring expenditures, [and] costs associated with a property tax revaluation and costs associated with the preparation, amendment or adoption of a plan of conservation and development pursuant to section 8-23. Such fund shall thereafter be termed "reserve fund for capital and nonrecurring expenditures".

Sec. 4. Section 7-364 of the 2016 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2016*):

Upon the recommendation of the budget-making authority and approval by the legislative body, any part or the whole of such fund may be used for (1) capital and nonrecurring expenditures, but such use shall be restricted to the financing of all or part of the planning, construction, reconstruction or acquisition of any specific capital improvement or the acquisition of any specific item of equipment, [and] (2) costs associated with a property tax revaluation, and (3) costs associated with the preparation, amendment or adoption of a plan of conservation and development pursuant to section 8-23. Upon the approval of any such expenditure, an appropriation shall be set up, plainly designated for the project, acquisition, [or] revaluation or plan

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of conservation and development for which it has been authorized, and such unexpended appropriation may be continued until such project, acquisition, [or] revaluation or plan of conservation and development is completed. Any unexpended portion of such appropriation remaining after such completion shall revert to said reserve fund.

Sec. 5. Section 7-366 of the 2016 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2016*):

If, in the opinion of the budget-making authority, such reserve fund is insufficient to meet the cost of any capital or nonrecurring expenditure, [or] property tax revaluation or plan of conservation and development which it deems immediately necessary, it may, with the approval of the legislative body, authorize that an appropriation be made therefor, provided the total of such fund and the sum anticipated from a tax collected for the purposes of sections 7-360 to 7-364, inclusive, as amended by this act, in the year following the date when such authorization is made is estimated by said budget-making authority to be sufficient to meet such expenditures. Nothing in said sections shall prohibit a municipality from supplementing said reserve fund to meet the cost of capital or nonrecurring expenditures, [or] property tax revaluation or plan of conservation and development by issuing bonds in accordance with the applicable provisions of the statutes.

Approved June 7, 2016