



House of Representatives

General Assembly

File No. 627

January Session, 2025

Substitute House Bill No. 7153

House of Representatives, April 9, 2025

The Committee on Planning and Development reported through REP. KAVROS DEGRAW of the 17th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING THE ESTABLISHMENT OF THE PORT
EASTSIDE INFRASTRUCTURE IMPROVEMENT DISTRICT IN THE
TOWN OF EAST HARTFORD.***

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

1 Section 1. (NEW) (*Effective October 1, 2025*) (a) As used in this section
2 and section 2 of this act:

3 (1) "District" means the Port Eastside Infrastructure Improvement
4 District, which may be established as a body politic and corporate
5 pursuant to subsection (b) of this section, situated in the town of East
6 Hartford, county of Hartford and state of Connecticut and bounded and
7 described as follows: Beginning at the intersection of the northerly street
8 line of Hartland Street and the easterly street line of East River Drive;
9 thence running northerly along the easterly street line of East River
10 Drive a distance of 883 feet, more or less; thence running easterly and
11 northerly along the southerly and westerly lines of land now or formerly
12 of Merchant Founders Lodging, LLC a distance of 792 feet, more or less,
13 to the southerly street line of Pitkin Street; thence running easterly along

14 said southerly street line of Pitkin Street a distance of 616 feet, more or
15 less; thence running southerly along the westerly line of land now or
16 formerly of Milton East Hartford Investments, LLC and land now or
17 formerly of Infinity IV, LLC, partly by each, a distance of 715 feet, more
18 or less, to the northerly street line of Hartland Street; thence running
19 westerly along said northerly street line of Hartland Street a distance of
20 101 feet, more or less; thence running southerly crossing Hartland Street
21 a distance of 60 feet to the southerly street line of Hartland Street; thence
22 running southeasterly along the westerly line of land now or formerly
23 of the Connecticut Natural Gas Corporation a distance of 818 feet, more
24 or less; thence running westerly and northwesterly along the southerly
25 and easterly lines of land now or formerly of the Town of East Hartford
26 a distance of 1,143 feet, more or less, to the southerly street line of
27 Hartland Street; thence running northwesterly crossing Hartland Street
28 a distance of 95 feet, more or less, to the point of beginning;

29 (2) "District improvements" means any transit enhancements,
30 bridges, roadways, traffic signalization, easements, sewage or water
31 treatment facilities or other environmental protection devices or
32 structures, storm or sanitary sewer lines, utility lines, improvements to
33 fire stations and waterfront improvements along the Connecticut River
34 located within the district;

35 (3) "Approval for district improvements" means the issuance of any
36 permit or approval or the performance of any administrative action
37 required for any work performed in connection with the district
38 improvements;

39 (4) "Benefit assessment" means an assessment by the district for the
40 proportion of any cost, or estimated cost, and any associated finance cost
41 whenever the district constructs, improves, extends, equips,
42 rehabilitates, repairs, acquires or provides a grant for any district
43 improvements or finances the cost of such improvements;

44 (5) "Commissioner" means the commissioner or commissioners of a
45 state agency or state agencies that have jurisdiction over an approval for
46 district improvements;

47 (6) "Public entity" means the state and any agency, instrumentality or
48 political subdivision thereof;

49 (7) "Voter" means (A) any person who is an elector of the district, (B)
50 any citizen of the United States eighteen years of age or older who,
51 jointly or severally, is liable to the district for taxes assessed against such
52 citizen on an assessment of not less than one thousand dollars on the
53 last-completed grand list of such district, as the case may be, or who
54 would be so liable if not entitled to an exemption under subdivision (17),
55 (19), (22), (23) or (26) of section 12-81 of the general statutes, or (C) any
56 holder of record of an interest in real property within the district; and

57 (8) "Bonds" means bonds, notes or other obligations authorized by
58 this section, and refunding bonds, notes or other obligations to refinance
59 the same.

60 (b) (1) The mayor of the town of East Hartford shall, upon the petition
61 of fifteen or more persons eligible to vote in said town specifying the
62 district for any or all of the purposes set forth in this section, call a
63 meeting of the voters to act upon such petition. Not later than thirty
64 days after receipt of such petition, the mayor shall designate the time
65 and place for such meeting. Not less than fourteen days before such
66 meeting, the mayor shall publish notice of such meeting in two
67 successive issues of a newspaper published or having substantial
68 circulation in the town. Not later than twenty-four hours before such
69 meeting, (A) two hundred or more voters or ten per cent of the total
70 number of voters of such proposed district, whichever is less, may
71 petition the mayor, in writing, for a referendum of the voters of such
72 proposed district, or (B) the mayor may, in the mayor's discretion, order
73 a referendum of the voters of such proposed district on the sole question
74 of whether the proposed district should be established. Any such
75 referendum shall be held not less than seven and not more than fourteen
76 days after the receipt of such petition or the date of such order, on a date
77 to be set by the mayor for a vote by paper ballots or by a "yes" or "no"
78 vote on the voting machines, during the hours between twelve o'clock
79 noon and eight o'clock p.m. Notwithstanding the provisions of any

80 special act, the town may provide for an earlier hour for opening the
81 polls by vote of its town council, provided such opening of the polls is
82 not earlier than six o'clock a.m. If voters representing at least two-thirds
83 of the assessments of holders of record within the proposed district cast
84 votes in favor of establishing the proposed district in such referendum,
85 the mayor shall reconvene such meeting not later than seven days after
86 such referendum. Upon approval of the petition for the proposed
87 district by voters representing at least two-thirds of the assessments of
88 holders of record within the proposed district present at such meeting,
89 or, if a referendum is held, upon the reconvening of such meeting after
90 such referendum, the voters may establish the district. The district shall,
91 upon the filing of the first report filed as provided in subsection (c) of
92 section 7-325 of the general statutes, be a body corporate and politic and
93 have the powers provided in sections 7-324 to 7-329, inclusive, of the
94 general statutes, not inconsistent with the general statutes, this section
95 and section 2 of this act, concerning the purposes for which the district
96 was established and that are necessary for the accomplishment of such
97 purposes, including the power to lay and collect taxes. The clerk of the
98 district shall cause the name of the district and a description of the
99 district's territorial limits to be recorded in, and a caveat be placed upon,
100 the land records of the town of East Hartford.

101 (2) At the meeting called for the purpose of establishing the district
102 as provided in subdivision (1) of this subsection, the voters may
103 establish the district for any or all of the following purposes: To (A)
104 extinguish fires, (B) light streets, (C) plant and care for shade and
105 ornamental trees, (D) plan, lay out, acquire, construct, maintain and
106 finance roads, sidewalks, crosswalks, drains, sewers and sewage
107 treatment facilities, parking facilities, open space, bulkhead repairs,
108 dredging and construction, environmental remediation and other
109 infrastructure improvements, (E) acquire, construct, maintain and
110 regulate the use of recreational facilities, (F) plan, lay out, acquire,
111 construct, reconstruct, repair, maintain, supervise and manage a flood
112 or erosion control system, and (G) plan, lay out, acquire, construct,
113 maintain, operate, finance and regulate the use of a community water
114 system, including any off-site locations or improvements made outside

115 the district but related to or made necessary by the establishment or
116 operation of the activities conducted within the district, including, but
117 not limited to, the district improvements. The district may contract with
118 a town, city, borough or other district for the carrying out of any of the
119 purposes specified in this subsection or for the purchase or sale of any
120 of the improvements for which the district was established.

121 (3) (A) At the meeting called for the purpose of establishing the
122 district as provided in subdivision (1) of this subsection, the voters shall
123 fix the date of the annual meeting of the voters for the election of district
124 officers and the transaction of such other business as may properly come
125 before such annual meeting. At such meeting of the district, the voters
126 shall elect a president, vice-president, five directors, a clerk and a
127 treasurer to serve until the first annual meeting for the election of
128 officers and thereafter such officers shall be elected annually, provided,
129 upon its organization and at all times thereafter, one director may be
130 appointed by the mayor of the town of East Hartford.

131 (B) At the first annual meeting of the district, the directors not
132 appointed by the mayor shall be elected to serve for one, two, three or
133 four years, respectively, and thereafter such directors shall be elected to
134 serve for four-year terms as each term ends. Not fewer than three
135 members of the board of directors shall be residents of this state.

136 (C) Special meetings of the district may be called on the application
137 of ten per cent of the total number of voters of such district or twenty of
138 the voters of such district, whichever is less, or by the president or any
139 three directors upon giving notice as provided in this section. Any
140 special meeting called on the application of the voters shall be held not
141 later than twenty-one days after receiving such application.

142 (D) Notice of the holding of the annual meeting and all special
143 meetings shall (i) be given by publication of a notice of such meetings in
144 a newspaper having a general circulation in the district not less than ten
145 days before the day of any such meeting, (ii) be signed by the president
146 or any three directors, and (iii) designate the time and place of such
147 meeting and the business to be transacted at such meeting.

148 (E) Two hundred or more persons or ten per cent of the total number
149 of voters of such district, whichever is less, may submit a written
150 petition to the clerk of such district not less than twenty-four hours prior
151 to any such meeting, requesting (i) that any item or items on the call of
152 such meeting be submitted to the voters of the district not less than
153 seven nor more than fourteen days thereafter, on a day to be set by the
154 district meeting or, if the district meeting does not set a date, by the
155 board of directors, or (ii) a vote by paper ballots or by a "yes" or "no"
156 vote on the voting machines, during the hours between twelve o'clock
157 noon and eight o'clock p.m., except that any district may, by vote of its
158 board of directors, provide for an earlier hour for opening the polls but
159 not earlier than six o'clock a.m. The paper ballots or voting machine
160 ballot labels, as the case may be, shall be provided by the clerk. When
161 such a petition has been filed with the clerk, the president, after
162 completion of other business and after discussion, shall adjourn such
163 meeting and order such vote on such item or items in accordance with
164 the petition, and any item so voted may be rescinded in the same
165 manner. The clerk shall phrase such item or items in a form suitable for
166 printing on such paper ballots or ballot labels.

167 (F) At any annual or special meeting, the voters may, by a majority
168 vote of those present, discontinue any purposes for which the district is
169 established or undertake any additional purpose or purposes
170 enumerated in subdivision (2) of this subsection.

171 (4) (A) A quorum for the transaction of business at the meeting called
172 for the purpose of establishing the district, as provided in subdivision
173 (1) of this subsection, shall be either fifteen voters of such district or a
174 majority of the holders of record of interests in real property within such
175 district, as long as the assessments of such holders of record constitute
176 more than one-half of the total of assessments for all interests in real
177 property within such district. If fifteen voters or a majority of the holders
178 of record of interests in real property within such district are not present
179 at such meeting or the assessments of such holders of record constitute
180 less than one-half of the total of assessments for all interests in real
181 property within such district, the mayor may adjourn such meeting

182 until at least fifteen voters or a majority of the holders of record of
183 interests in real property within such district are present and the
184 assessments of such holders of record constitute more than one-half of
185 the total of assessments for all interests in real property within such
186 district.

187 (B) For the transaction of business at any other meeting of the district,
188 a quorum shall be either fifteen voters of the district or a majority of the
189 holders of record of interests in real property within such district,
190 provided the assessments for such holders of record constitute more
191 than one-half of the total of assessments for all interests in real property
192 within such district. If fifteen voters or a majority of the holders of record
193 of interests in real property within such district are not present at such
194 meeting or the assessments of such holders of record constitute less than
195 one-half of the total assessments for all interests in real property within
196 such district, the president of the district or, in such president's absence,
197 the vice-president may adjourn such meeting until at least fifteen voters
198 or a majority of the holders of record of interests in real property within
199 such district are present and the assessments of such holders of record
200 constitute more than one-half of the total of assessments for all interests
201 in real property within such district. Any meeting of the district where
202 a quorum is present may be adjourned by a vote of a majority of the
203 voters voting on the question.

204 (5) In any case in which an action for a vote by the voters of the district
205 is to be initiated by the petition of such voters, in addition to such other
206 requirements as the general statutes or any special act may impose, such
207 petition shall be on a form prescribed or approved by the clerk of such
208 district, and each page of such petition shall contain a statement, signed
209 under penalties of false statement, by the person who circulated the
210 same, setting forth such person's name and address, and stating that (A)
211 each voter whose name appears on such page signed the same in person
212 in the presence of the person who circulated the petition, (B) such person
213 either knows each such voter or that the voter satisfactorily identified
214 such voter to such person, and (C) each signature on such page was
215 obtained not earlier than six months before the filing of such petition.

216 Any page of a petition that does not contain such a statement by the
217 person who circulated such petition shall be invalid. Any person who
218 makes a false statement in the statement required by this subdivision
219 shall be subject to the penalty for false statements pursuant to section
220 53a-157b of the general statutes. Any petition circulated pursuant to this
221 subdivision by a person who is not a voter of the district shall be invalid.

222 (c) If (1) the officers of the district vote to terminate the district's
223 corporate existence, or (2) the district clerk receives a petition signed by
224 ten per cent of the total voters of such district or twenty of the voters of
225 such district, whichever is less, applying for a special meeting to vote on
226 the termination of the district, the clerk shall call a special meeting of the
227 voters of such district. The notice of such meeting shall be signed by the
228 officers of the district and be advertised as required by section 7-325 of
229 the general statutes. Not later than twenty-four hours before any such
230 meeting, two hundred or more voters or ten per cent of the total number
231 of voters, whichever is less, may petition the clerk of the district, in
232 writing, that a referendum on the question of whether the district should
233 be terminated be held in the manner provided in section 7-327 of the
234 general statutes. If, at such meeting, a two-thirds majority of the voters
235 present vote to terminate the corporate existence of the district, or, if a
236 referendum is held, two-thirds of the voters casting votes in such
237 referendum vote to terminate the corporate existence of the district, the
238 officers shall terminate the affairs of such district. The district shall pay
239 all outstanding indebtedness of the district and transfer the balance of
240 the assets of such district to the town in which the district is located
241 upon the approval of the town council. No district shall be terminated
242 under this section until all of its outstanding indebtedness is paid unless
243 the town council agrees, in writing, to assume such indebtedness. On
244 completion of the duties of the officers of such district, the clerk shall
245 cause a certificate of the vote of such meeting to be recorded in the land
246 records of the town of East Hartford and the clerk shall notify the
247 Secretary of the Office of Policy and Management of such district's
248 termination.

249 (d) (1) At any meeting of the district, any tenant in common of any

250 interest in real property shall have a vote equal to the fraction of such
251 tenant in common's ownership of such interest. Any joint tenant of any
252 interest in real property shall vote as if each such tenant owned an equal
253 fractional share of such real property. A corporation shall have its vote
254 cast by the chief executive officer of such corporation, or such officer's
255 designee. An entity eligible to vote in the district that is not a corporation
256 shall have its vote cast by a person authorized by such entity to cast its
257 vote. No owner shall have more than one vote.

258 (2) No holder of record of an interest in real property shall be
259 precluded from participating in any district meeting or referendum
260 because of the form of entity that holds such interest, whether such
261 holder of record is (A) a corporation, partnership, unincorporated
262 association, trustee, fiduciary, guardian, conservator or other form of
263 entity, or any combination thereof, or (B) an individual who holds
264 interests jointly or in common with another individual or individuals,
265 or with any one or more of the entities listed in subparagraph (A) of this
266 subdivision.

267 (e) Notwithstanding any provision of the general statutes, including
268 sections 7-324 to 7-329, inclusive, the district shall have the power to
269 assess, levy and collect benefit assessments upon the land and buildings
270 in the district which, in its judgment, are benefited by the district
271 improvements.

272 (f) (1) Notwithstanding any provision of the general statutes,
273 including sections 7-324 to 7-329, inclusive, of the general statutes, the
274 district shall have the power to fix, revise, charge, collect, abate and
275 forgive taxes, fees, rents and benefit assessments, and other charges for
276 the cost of the district improvements, financing costs, operating
277 expenses and other services and commodities furnished or supplied to
278 the real property in the district in accordance with the provisions of the
279 general statutes applicable to districts established under section 7-325 of
280 the general statutes as provided in this section and in the manner
281 prescribed by the district. Notwithstanding any provision of the general
282 statutes, the district may pay the entire cost of any such improvements,

283 including the costs of financing such improvements, capitalized interest
284 and the funding of any reserve funds necessary to secure such financing
285 or the debt service of bonds or notes issued to finance such costs, from
286 taxes, fees, rents, benefit assessments or other revenues and may assess,
287 levy and collect such taxes, fees, rents or benefit assessments
288 concurrently with the issuance of bonds, notes or other obligations to
289 finance such improvements based on the estimated cost of the
290 improvements before the acquisition or construction of the district
291 improvements or upon the completion or acquisition of such
292 improvements.

293 (2) Notwithstanding any provision of the general statutes, whenever
294 the district constructs, improves, extends, equips, rehabilitates, repairs,
295 acquires or provides a grant for any district improvements or finances
296 the cost of such improvements, the district may assess a benefit
297 assessment, in a manner prescribed by the district, upon any property
298 benefited by such improvements. The balance of such costs not
299 recovered by a benefit assessment shall be paid from the general funds
300 of the district. The district may provide for the payment of such benefit
301 assessments in annual installments, not exceeding thirty such
302 installments, and may forgive such benefit assessments in any single
303 year without causing the remainder of installments of benefit
304 assessments to be forgiven. Benefit assessments to buildings or
305 structures constructed or expanded after the initial benefit assessment
306 may be assessed as if the new or expanded buildings or structures had
307 existed at the time of the original benefit assessment. The provision of
308 open space within the district or in the town of East Hartford is deemed
309 a benefit to all the property in the district.

310 (3) To provide for the collection and enforcement of its taxes, fees,
311 rents, benefit assessments and other charges, the district is granted all
312 the powers and privileges as districts organized pursuant to section 7-
313 325 of the general statutes, and as held by the town of East Hartford or
314 as otherwise provided in this section. Such taxes, fees, rents or benefit
315 assessments, if not paid when due, shall constitute a lien upon the
316 premises served and a charge against the owners of such premises,

317 which lien and charge shall bear interest at the same rate as delinquent
318 property taxes pursuant to section 12-146 of the general statutes. Each
319 such lien may be continued, recorded and released in the manner
320 provided for property tax liens and shall take precedence over all other
321 liens or encumbrances except a lien for taxes of the town of East
322 Hartford. Each such lien may be continued, recorded and released in the
323 manner provided for property tax liens.

324 (4) The board shall adopt and revise the budget, taxes, fees, rents,
325 benefit assessments and any other charges of the district of general
326 application at least annually, not more than thirty days before the
327 beginning of the fiscal year in accordance with procedures established
328 by the board at a meeting called by the board, which shall include a
329 requirement that interested persons be given notice and an opportunity
330 to be heard. The board shall hold at least two public hearings on its
331 schedule of fees, rates, rents, benefit assessments and other charges or
332 any revision of such fees, rates, rents, benefit assessments and charges
333 before adoption, notice of which shall be delivered to the mayor and
334 town council of the town of East Hartford and be published in a
335 newspaper of general circulation in said town not less than ten days
336 before the hearing. Not later than the date of the publication, the board
337 shall make available to the public and deliver to the mayor and the town
338 council of the town of East Hartford the proposed schedule of fees, rates,
339 rents, benefit assessments and other charges.

340 (5) No benefit assessment shall be made without a public hearing
341 before the board. The owner of the property to be assessed shall have an
342 opportunity to be heard concerning the proposed assessment at such
343 hearing. Notice of the time, place and purpose of such hearing shall be
344 published not less than ten days before the date of such hearing in a
345 newspaper having a general circulation in the district, and a copy of
346 such notice shall be mailed to the owner of any property that may be
347 impacted by such assessment at such owner's address on the most recent
348 grand list of the town or at any address of which the board may have
349 knowledge. A copy of any proposed assessment shall be made available
350 for inspection in the office of the district clerk for not less than ten days

351 before the date of such hearing.

352 (6) When the board has determined the amount of the assessment to
353 be levied, the board shall file a copy of such assessment in the office of
354 the district clerk. Not later than five days after such filing, the board
355 shall cause a copy of such assessment to be published in a newspaper
356 having a general circulation in the district, and the district shall mail a
357 copy of such assessment to the owner of any property that may be
358 impacted by such assessment at such owner's address on the most recent
359 grand list of the town or at any other address of which the board may
360 have knowledge. Such publication and mailing shall state the date on
361 which such assessment was filed and that any appeals from such
362 assessment must be taken within twenty-one days after such filing. Any
363 person aggrieved by an assessment pursuant to this section may appeal
364 to the superior court for the judicial district in which the property is
365 located. The return date of such appeal shall be not less than twelve and
366 not more than thirty days after the service of such appeal. Such appeal
367 shall be privileged in assignment for trial. The court may appoint a state
368 referee to appraise the benefits to such property and to make a report of
369 such referee's doings to the court. The judgment of the court, either
370 confirming or altering such assessment, shall be final. No such appeal
371 shall stay proceedings for the collection of the particular assessment
372 upon which the appeal is predicated, but the appellant shall be
373 reimbursed for any overpayments made if, as a result of such appeal,
374 such appellant's assessment is reduced.

375 (7) If a benefit assessment is assessed and levied before the
376 acquisition or construction of the district improvements, the amount of
377 the benefit assessment shall be adjusted to reflect the actual cost of the
378 district improvements, including all financing costs, once such
379 improvements have been completed, should the actual cost be greater
380 than or less than the estimated costs. Benefit assessments shall be due
381 and payable at such times as are fixed by the board, provided the district
382 shall give notice of such due date not less than thirty days prior to such
383 due date by publication in a newspaper of general circulation in the
384 district and by mailing such notice to the owners of an assessed property

385 at such owner's last-known address.

386 (g) (1) Notwithstanding any provision of the general statutes,
387 including sections 7-324 to 7-329, inclusive, whenever the district has
388 authorized the acquisition or construction of the district improvements
389 or has made an appropriation therefor, the district may authorize the
390 issuance of (A) up to one hundred twenty-five million dollars of bonds,
391 notes or other obligations which may be secured as to both principal and
392 interest by (i) the full faith and credit of the district, (ii) fees, revenues or
393 benefit assessments, or (iii) a combination of both; (B) bonds, notes or
394 obligations exclusively secured as to both principal and interest by fees,
395 revenues, benefit assessments or charges imposed by the district in
396 relation to the property financed by the bonds, notes or obligations; and
397 (C) bonds, notes or obligations to refund outstanding bonds, notes or
398 obligations of the district. All such bonds shall be issued to finance or
399 refinance the cost of the district improvements, the creation and
400 maintenance of reserves required to sell the bonds, notes or obligations
401 and the cost of issuance of the bonds, notes or obligations, provided no
402 bonds shall be issued prior to the district entering into an interlocal
403 agreement with the town of East Hartford in accordance with section 7-
404 339c of the general statutes, including at least one public hearing on the
405 proposed agreement and ratification by the town council. Such bonds,
406 notes or obligations shall be authorized by resolution of the board. The
407 district is authorized to secure such bonds by the full faith and credit of
408 the district or by a pledge of or lien on all or part of its fees, revenues,
409 benefit assessments or charges. The bonds of each issue shall be dated,
410 shall bear interest at the rates and shall mature at the time or times not
411 exceeding thirty years from their date or dates, as determined by the
412 board, and may be redeemable before maturity, at the option of the
413 board, at the price or prices and under the terms and conditions fixed
414 by the board before the issuance of the bonds. The board shall determine
415 the form of the bonds, and the manner of execution of the bonds, and
416 shall fix the denomination of the bonds and the place or places of
417 payment of principal and interest, which may be at any bank or trust
418 company within this state and other locations as designated by the
419 board. In case any officer whose signature or a facsimile of whose

420 signature shall appear on any bonds or coupons shall cease to be an
421 officer before the delivery of the bonds, the signature or facsimile shall
422 nevertheless be valid and sufficient for all purposes the same as if the
423 officer had remained in office until the delivery.

424 (2) While any bonds or notes issued by the district remain
425 outstanding, the powers, duties or existence of the district shall not be
426 diminished or impaired in any way that will adversely affect the
427 interests and rights of the holders of the bonds or notes. The bonds or
428 notes issued under this section shall be payable solely by the district or
429 as special obligations payable from particular district revenues, and,
430 unless otherwise authorized by law, shall not be considered to
431 constitute a debt of the state or the town of East Hartford, or a pledge of
432 the full faith and credit of the state or the town of East Hartford. Any
433 bonds or notes issued by the district shall contain on their face a
434 statement to the effect that neither the state nor the town of East
435 Hartford shall be obliged to pay the principal of or the interest thereon,
436 and that neither the full faith and credit or taxing power of the state or
437 the town of East Hartford is pledged to the payment of the bonds or
438 notes. All bonds or notes issued under this section shall have all the
439 qualities and incidents of negotiable instruments as provided in title 42a
440 of the general statutes.

441 (h) (1) The board may authorize that the bonds be secured by a trust
442 agreement by and between the district and a corporate trustee. Such
443 trustee shall be any trust company or bank having the powers of a trust
444 company within this state. Such trust agreement may pledge or assign
445 the revenues. Either the resolution providing for the issuance of bonds
446 or the trust agreement may contain covenants or provisions for
447 protecting and enforcing the rights and remedies of the bondholders as
448 may be lawful, necessary, reasonable or appropriate.

449 (2) Any expenses incurred in carrying out the trust agreement may
450 be treated as an operating cost of the district. The pledge by any trust
451 agreement or resolution shall be valid and binding from when the
452 pledge is made. Any revenues or other moneys so pledged and held or

thereafter received by the board shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act, and the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the board, irrespective of whether the parties have notice thereof. Notwithstanding any provision of the Uniform Commercial Code, neither this subsection nor the resolution or any trust agreement by which a pledge is created need be filed or recorded except in the records of the board, and no filing need be made under title 42a of the general statutes.

(i) Bonds or notes issued under this section are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control and belonging to them, and such bonds shall be securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds or notes of the state is now or may hereafter be authorized by law.

(j) Bonds may be issued under this section without obtaining the consent of the state or the town of East Hartford and without any proceedings or conditions unless required by this section, and the validity of and security for any bonds issued by the district shall not be affected by the existence or nonexistence of such consent or other proceedings or conditions.

(k) The district and all its receipts, revenues, income and real and personal property shall be exempt from taxation and benefit assessments, and the district shall not be required to pay any tax, excise or assessment to or from the state or any of its political subdivisions. The principal and interest on bonds or notes issued by the district shall be free from taxation, except for estate and gift, franchise and excise taxes imposed by the state or any political subdivision thereof, provided

486 nothing in this section shall act to limit or restrict the ability of the state
487 or the town of East Hartford to tax the individuals and companies, or
488 their real or personal property or any person living or business
489 operating within the boundaries of the district.

490 (l) The board shall at all times keep accounts of its receipts,
491 expenditures, disbursements, assets and liabilities, which shall be open
492 to inspection by a duly appointed officer or duly appointed agent of the
493 state or the town of East Hartford. The fiscal year of the district shall
494 begin on July first and end on the following June thirtieth unless
495 otherwise established by section 7-327 of the general statutes. The
496 district shall be subject to an audit of its accounts in the manner
497 provided in the general statutes.

498 (m) (1) The district clerk shall submit quarterly project activity
499 reports to the Secretary of the Office of Policy and Management and to
500 the chairpersons of the joint standing committee of the General
501 Assembly having cognizance of matters relating to finance, revenue and
502 bonding. Such reports shall provide information and updates on the
503 projects undertaken by the district, including the status of the design,
504 financing, construction, sales and such other items as the secretary or
505 chairpersons may request.

506 (2) The district shall provide for the full disclosure of information
507 relating to the public financing and maintenance of the district
508 improvements. Such information shall be provided to any existing
509 residents and to all prospective residents of the district. The district shall
510 furnish each developer of a residential development within the district
511 with sufficient copies of such information to provide each prospective
512 initial purchaser of property in such district with a copy, and any
513 developer of a residential development within the district, when
514 required by law to provide a public offering statement, shall include a
515 copy of such information relating to the public financing and
516 maintenance of such improvements in the public offering statement.

517 (n) (1) This section shall be deemed to provide an additional,
518 alternative and complete method of accomplishing the purposes of this

519 section and exercising the powers authorized hereby and shall be
520 deemed and construed to be supplemental and additional to, and not in
521 derogation of, powers conferred upon the district by law and
522 particularly by sections 7-324 to 7-329, inclusive, of the general statutes,
523 provided if any provision of this section is inconsistent with any general
524 statute or special act, or any resolution or ordinance of the town of East
525 Hartford, this section shall control.

526 (2) Except as provided in this section, all other statutes, ordinances,
527 resolutions, rules and regulations of the state and the town of East
528 Hartford shall be applicable to the property, residents and businesses
529 located in the district. Nothing in this section shall in any way obligate
530 the town of East Hartford to pay any costs for the acquisition,
531 construction, equipping or operation and administration of the district
532 improvements or to pledge any money or taxes to pay debt service on
533 bonds or notes issued by the district except as may be agreed to in any
534 interlocal agreements executed by the town of East Hartford and the
535 district.

536 (o) The town of East Hartford may, by vote of the town council,
537 merge the district into the town of East Hartford if no bonds are issued
538 by the district not later than ten years after the effective date of this
539 section or after the bonds authorized by this section are no longer
540 outstanding. Upon such merger, any property that is owned by the
541 district shall be conveyed to the town of East Hartford.

542 (p) This section, being necessary for the welfare of the town of East
543 Hartford and its inhabitants, shall be liberally construed to effect the
544 purposes hereof.

545 Sec. 2. (NEW) (*Effective October 1, 2025*) (a) Notwithstanding any
546 provision of the general statutes, unless otherwise required by federal
547 law, the provisions of this section shall govern the issuance of any
548 approval for district improvements concerning the Port Eastside
549 Infrastructure Improvement District established pursuant to section 1 of
550 this act. If the district enters into a written agreement with any public
551 entity for work to be performed in connection with the district

552 improvements, including, but not limited to, obtaining a permit, license
553 or governmental approval, acquiring real property or construction of
554 sewer, water, steam or other utility connections, any administrative
555 action taken by such public entity in connection with such work shall be
556 governed by the provisions of this section unless otherwise required by
557 federal law or any other agreement to which such public entity is bound.

558 (b) Any approval for district improvements shall be issued by the
559 commissioner with jurisdiction over such approval, or such other state
560 official as such commissioner shall designate, and no other agency,
561 commission, council, committee, panel or other body other than such
562 commissioner, unless specifically designated by such commissioner,
563 shall have jurisdiction over any such approval. No notice of a tentative
564 or final determination regarding any such approval and no notice of any
565 such approval shall be required except as provided in this section.

566 (c) Any application for an approval for district improvements
567 required by any applicable provision of the general statutes shall be
568 submitted to the commissioner having jurisdiction as provided in this
569 subsection. The commissioner shall, to the extent practicable in the
570 discretion of the commissioner, adopt a master process to consider
571 multiple licenses, permits, approvals and administrative actions
572 pursuant to this section. Unless denied by the commissioner, any license
573 or permit shall be issued, approval shall be granted as requested and
574 administrative action shall be taken not later than ten business days
575 after the date of submission of any such application unless a hearing is
576 required to be held concerning such application. Such application shall
577 be deemed granted as requested on the eleventh business day after a
578 hearing is held on such application unless the commissioner has denied
579 such application or approved such application with conditions. Any
580 requirement for a permit or inspection by the State Building Inspector
581 or State Fire Marshal shall be satisfied if the district obtains a
582 certification from an engineer or other appropriate professional duly
583 certified or licensed in the state certifying that the work in connection
584 with the district improvements, to the extent such work is subject to
585 approval by the State Building Inspector or State Fire Marshal, is in

586 compliance with the State Building Code or fire code and safety
587 regulations, as applicable.

588 (d) Any hearing regarding all or part of the district improvements
589 shall be conducted by the commissioner. Notice of any such hearing
590 shall be published in a newspaper having a general circulation in the
591 district not more than ten and not less than five days before such
592 hearing.

593 (e) Any application, documentation or other records (1) submitted to
594 a commissioner, and (2) pertaining to an application for an approval for
595 district improvements, together with all records of the proceedings of
596 the commissioner relating to any such application, shall be a public
597 record and shall be made, maintained and disclosed in accordance with
598 the provisions of chapter 14 of the general statutes.

599 (f) In rendering a decision on any application for an approval for
600 district improvements, a commissioner shall weigh all competent
601 material and substantial evidence presented by the applicant and the
602 public. The commissioner shall issue written findings and
603 determinations upon which any such decision is based. Such findings
604 and determinations shall consist of evidence presented, including such
605 information as the commissioner deems appropriate, provided such
606 information, to the extent applicable, relates to any major adverse health
607 or environmental impact of the overall district improvements. The
608 commissioner may reverse or modify any order or action at any time
609 upon the commissioner's own motion. The procedure for such reversal
610 or modification shall be the same as the procedure for the original
611 proceeding.

612 (g) Any administrative action taken by any commissioner in
613 connection with the district improvements may be appealed by a party
614 aggrieved by such action to the superior court for the judicial district of
615 Hartford in accordance with the provisions of section 4-183 of the
616 general statutes. Such appeal shall be brought not more than ten days
617 after the date the commissioner mails to the parties to the proceeding a
618 notice of such order, decision or action by certified mail, return receipt

619 requested. The appellant shall serve a copy of the appeal on each party
620 listed in the final order, decision or action at the address shown in such
621 decision. Failure to make such service within the ten days on parties
622 other than the commissioner who rendered the final order, decision or
623 action may not, in the discretion of the court, deprive the court of
624 jurisdiction over the appeal. Not later than ten days following the
625 service of such appeal, or within such further time as may be allowed
626 by the court, the commissioner who rendered such decision shall cause
627 any portion of the record that had not been transcribed to be transcribed
628 and shall cause the original or a certified copy of the entire record of the
629 proceeding appealed from to be transmitted to the reviewing court. The
630 record shall include the commissioner's findings of fact and conclusions
631 of law, separately stated. If more than one commissioner has jurisdiction
632 over the matter, such commissioners shall issue joint findings of fact and
633 conclusions of law. The appeal shall state the reasons upon which such
634 appeal is predicated and, notwithstanding any provisions of the general
635 statutes, shall not stay the development of the improvements. The
636 commissioner who rendered the decision shall appear as the
637 respondent. Appeals to the superior court shall be privileged matters
638 and shall be heard as soon after the return date as practicable. The court
639 shall render its decision not later than twenty-one days after the date
640 that the entire record with the transcript is filed with the court by the
641 commissioner who rendered the decision.

642 (h) (1) In an appeal pursuant to subsection (g) of this section, the court
643 shall not substitute its judgment for that of the commissioner as to the
644 weight of the evidence presented on a question of fact. The court shall
645 affirm the decision of the commissioner unless the court finds that
646 substantial rights of the party appealing the decision have been
647 materially prejudiced because the administrative findings, inferences,
648 conclusions or decisions of the commissioner are: (A) In violation of
649 constitutional or statutory provisions, (B) in excess of the statutory
650 authority of the commissioner, (C) made upon unlawful procedure, (D)
651 affected by an error of law, (E) clearly erroneous in view of the reliable,
652 probative and substantial evidence on the whole record, or (F) arbitrary,
653 capricious or characterized by abuse of discretion or clearly

654 unwarranted exercise of discretion.

655 (2) If the court finds material prejudice, it may sustain the appeal, and
 656 upon sustaining an appeal may render a judgment that modifies the
 657 decision of the commissioner, orders particular action of the
 658 commissioner or orders the commissioner to take such action as may be
 659 necessary to effect a particular action. The commissioner may issue a
 660 permit consistent with such judgment. An applicant may file an
 661 amended application, and the commissioner may consider such
 662 amended application for an approval for district improvements
 663 following such court action.

664 (i) Except as provided in this section, the district improvements shall
 665 be exempt from the provisions of sections 14-311 to 14-314c, inclusive,
 666 of the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2025	New section
Sec. 2	October 1, 2025	New section

Section 1	October 1, 2025	New section
Sec. 2	October 1, 2025	New section

Statement of Legislative Commissioners:

In Section 1(a)(4), "any" was added before "associated finance cost" for consistency; in Section 1(b)(1), "prior to" was changed to "before" for conciseness and minor revisions were made for clarity; in Section 1(b)(3)(D), clause designators were added for clarity; Section 1(f)(1) was reworded for clarity, conciseness and accuracy; in Section 1(f)(2), "such district" was changed to "the district" for accuracy; in Section 1(g)(2), the second sentence was rewritten for clarity; Section 1(h)(1) was rewritten for clarity and accuracy; Section 1(h)(2) was rewritten for clarity and conformance with drafting standards; Section 1(j) was rewritten for clarity; in Section 1(k), "at all times" was deleted for conciseness; in Section 1(l), "or as" was changed to "unless" for accuracy; and in Section 2(h)(2), "which" was changed to "that" for grammar.

PD Joint Favorable Subst.

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:

Municipalities	Effect	FY 26 \$	FY 27 \$
East Hartford	Cost	15,000-20,000	15,000-20,000
East Hartford	Potential Cost	See Below	See Below
East Hartford	Potential Revenue Grand List Increase	See Below	See Below
East Hartford	Potential Revenue Gain	See Below	See Below

Explanation

The bill establishes an infrastructure improvement district (Port Eastside) in the town of East Hartford, which results in the following impacts.

If fifteen or more voters petition to establish the district, East Hartford would incur

(a) minimal costs (estimated at less than \$1,000) associated with providing written notice of a meeting of the voters residing within the district's limits, as well as holding the meeting; and

(b) potential costs associated with conducting a referendum, if (1) 200 or more voters, or 10% of the total number of voters in the district, whichever is less, petition for a referendum, or (2) the mayor orders a referendum. The cost of holding a referendum in a town of East

Hartford's size is estimated to range from \$15,000 - \$20,000.

There is a potential cost to East Hartford for fees and costs associated with the establishment of an infrastructure improvement district, as it is unclear if the town is responsible for any costs associated with the district's establishment or if private developers will cover these costs.

To the extent that creation of Port Eastside leads to property improvements, East Hartford may experience an increase in its grand list.

The bill results in a potential revenue gain to East Hartford should the district contract with the town for public services such as firefighting and town planning, and the town receives reimbursement from the district for those services.

East Hartford may experience a potential cost from the bill as it permits the town to incur the district's debts in the event that the district is terminated. The town must agree in writing to assume any of the district's outstanding debts.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 7153*****AN ACT CONCERNING THE ESTABLISHMENT OF THE PORT EASTSIDE INFRASTRUCTURE IMPROVEMENT DISTRICT IN THE TOWN OF EAST HARTFORD.*****SUMMARY**

This bill allows voters, nonresident property owners, and holders of record in a specified section of East Hartford to form a special taxing district (the Port Eastside Infrastructure Improvement District) to provide services and finance infrastructure improvements there. This district is a type of special taxing district referred to as a “developer district.” The bill delineates the district’s geographic boundaries, encompassing about 30 acres along the Connecticut River, and formation process, which is similar to the one for establishing special taxing districts under the statutes (statutory districts).

The bill authorizes the district to levy taxes, charges, and benefit assessments and, after it has entered into an interlocal agreement with East Hartford, issue and secure up to \$125 million in bonds backed by these revenues and its full faith and credit. It generally exempts the principal and interest on these bonds from tax.

The bill sets an expedited process for state agency administrative actions, permit issuances, and approvals related to specified infrastructure improvements (e.g., transportation and waterfront improvements) in the district that supersedes all statutory requirements for these approvals. It also (1) sets an expedited process for appeals of administrative actions taken by a state agency commissioner connected with these improvements and (2) exempts these improvements from specified traffic control and highway safety laws.

EFFECTIVE DATE: October 1, 2025

DISTRICT FORMATION***Petition***

Under the bill, the district is created only if its eligible voters approve its formation by following a process that is largely the same as the one for statutory districts. It starts when 15 or more people eligible to vote in East Hartford petition the town's mayor to call a meeting of the district's eligible voters (as described below) to vote on the issue.

Decision

The mayor has 30 days after receiving this petition to schedule the meeting. He must publish the meeting notice in two successive issues of a newspaper published in the town or having substantial circulation there.

Up to 24 hours before the meeting, at least 200 voters or 10% of the proposed district's total eligible voters can petition the mayor for a referendum on the question of establishing the proposed district. Alternatively, the mayor can order a referendum on his own authority. In either case, the referendum must be held between 7 and 14 days after receiving the petition or ordering the referendum. The referendum is subject to the same procedural requirements as those for statutory districts.

Approving and Creating the District

The district is formed if voters representing two-thirds of the assessments of holders of record in the district that attend the meeting vote to create it (either at the meeting or referendum).

The district clerk must then notify the town about its formation, a requirement that also applies to statutory districts. The report must identify the district's officers, include a copy of its charter or special act, and describe its organizational structure and finances. Once the clerk completes this step, the district becomes a body corporate and politic with the powers granted to it by the bill as well as the powers the law grants to statutory districts. Those powers include assessing and collecting property taxes.

The clerk must also record the district's name and boundaries in the land records and include a caveat in those records.

Eligible Voters

The bill gives voting rights to the following people and entities:

1. district electors (registered voters);
2. U.S. citizens age 18 or older who are liable (or would be but for certain tax exemptions) to the district for property taxes on an assessment of at least \$1,000; and
3. holders of record of interests in real property in the district.

Holders of record include (1) business and legal entities and (2) people who hold interests jointly or in common with other people or entities. A corporation must cast its vote through its chief executive officer or his or her designee. A noncorporate entity must designate someone to cast its vote. Each owner gets only one vote, and the bill explicitly bans the district from excluding holders of record from participating in its affairs.

In the case of tenants in common and joint tenants of any interest in real property, a tenant in common's vote equals the fraction of its ownership interest and a joint tenant votes as if each such tenant owned an equal fractional share.

ORGANIZING THE DISTRICT***Organizational Meeting***

At the meeting called to establish the district (organizational meeting), voters may transact business if they have a quorum, which they have if:

1. 15 or more voters are present or
2. a majority of the holders of record are present and the assessed value of their properties exceeds half of the assessed value of all real property in the district.

East Hartford's mayor can adjourn the meeting until a quorum is met.

District Purposes

At the organizational meeting, the voters must specify the district's purposes, which generally include those of the statutory districts as well as other purposes. They include financing many types of public improvements, such as (1) constructing and maintaining roads, sidewalks, drains, sewers, parking and recreational facilities, sewage treatment facilities, and flood or erosion control and community water systems; and (2) repairing bulkheads, dredging, and remediating pollution. They also include any off-site locations or improvements made outside the district that are related to or needed to establish or operate the district's activities, including the district improvements described below (see *Applicable District Improvements*).

The bill allows the district to contract with a town, city, borough, or other district (1) for any of these purposes, just as existing law allows for statutory districts, and (2) to buy or sell any of the improvements for which the district was established.

Under the bill, a majority of the district's voters may discontinue a district purpose or take on any additional allowed purpose. They may do so at any annual or special meeting.

Governance

At the organizational meeting, the voters must elect the district's nine officers and set the date of its annual meeting. The officers are generally the same as those for the statutory districts (president, vice president, clerk, treasurer, and five directors) except that the bill allows East Hartford's mayor to appoint one of the directors. It also requires that at least three directors be Connecticut residents.

Under the bill, the directors elected at the first annual meeting serve staggered one-, two-, three-, or four-year terms. At each subsequent annual meeting, any director elected to fill a vacancy serves a four-year term.

OPERATIONS***Meetings***

The bill's provisions for calling special meetings and requiring votes on agenda items at regular and special meetings are generally the same as those that apply to statutory districts. The bill requires the district clerk to prescribe the form for submitting petitions and imposes generally the same requirements for these petitions that apply to statutory districts.

The quorum requirement is the same as the one for the district's organizational meeting, except that the district's president (or vice president if the president is absent), not the mayor, may adjourn the meeting until the quorum is met. A majority of voters can adjourn any district meeting where a quorum is present.

Activity Reports

The district clerks must submit quarterly activity reports to the Office of Policy and Management (OPM) secretary and the Finance, Revenue and Bonding Committee. The reports must provide information and updates on the districts' projects, including their design, financing, construction, sales, and any other aspect the secretary or committee chairpersons request.

Financial Disclosure to Existing and Prospective Residents

The district must disclose the public funds used to finance and maintain the improvements. It must disclose this information to all existing and prospective residents and give each developer who constructs housing in the district enough documents containing this information to pass along to prospective buyers. Developers must also include the information in any public offering statement the law requires them to provide.

FINANCIAL POWERS AND MANAGEMENT

The district board must adopt budgets and set taxes, fees, rents, benefit assessments, and other charges according to procedures that it must establish at a meeting held for that purpose. These procedures

must include a requirement that interested people receive notice and a hearing opportunity. The bill requires the boards to adopt their budgets and revenue measures at least annually, within 30 days of the start of their fiscal year.

The board must hold at least two public hearings on any proposed revenue measures and provide notice of these hearings to East Hartford's mayor and town council and the public by publishing notice in a newspaper with general circulation in the town at least 10 days before. It must also make the proposed revenue schedule available to the mayor, council, and public by this date.

The bill authorizes the district to impose and forgive taxes, fees, rents, benefit assessments, and other charges to finance district improvements, cover its financing and operating costs, and pay for other services and commodities provided to district properties. The district can use the revenue from these measures to pay the (1) entire cost of these improvements, including financing and related costs, or (2) debt service on bonds or notes issued to finance them. It can impose the taxes and other charges before or after it acquires or constructs the improvements. The district must base the taxes and charges it imposes before acquiring or starting an improvement on the estimated costs.

The district has the same powers as statutory districts and East Hartford to collect and enforce revenues. These include charging interest and imposing liens, which take precedence over all other liens except East Hartford's tax liens.

The bill requires the district to maintain financial records, which it must make available to East Hartford and state officials. The district must comply with the municipal auditing act, as the law requires for statutory districts.

BENEFIT ASSESSMENTS

Authorization

The district can assess land and buildings that benefit, in its judgment, from district-financed improvements. Specifically, whenever

the district constructs, improves, extends, equips, rehabilitates, repairs, acquires, or provides a grant for district improvements, or finances these improvements, it may assess a proportion of these costs on property that benefits from these improvements.

The district can decide how to apportion the costs among the properties benefiting from the improvements and pay the balance from the general revenues. The district may (1) require property owners to pay the benefit assessments in annual installments for up to 30 years and (2) forgive the benefit assessments in any given year without affecting future installments. It may assess buildings or structures constructed or expanded in the district after the initial benefit assessment is imposed as if they had existed at the time of the original benefit assessment. The district can also adjust assessments that were imposed before the improvements were completed to reflect their actual costs.

The bill specifies that providing open space in the district or East Hartford benefits all property within the district.

Public Hearing and Notice Requirement

Before imposing a benefit assessment, the district must hold at least one public hearing on the proposed assessment where assessed property owners have the opportunity to be heard. It must (1) publish a notice of the hearing's time, place, and purpose at least 10 days in advance in a newspaper with general circulation in the district and (2) mail a copy of this notice to affected property owners (at the address on the most recent grand list or any other known address). A copy of all proposed assessments must be made available for inspection with the district clerk at least 10 days before the hearing.

Once the board has determined the actual amount of the assessment, it must file a copy of the assessment with the district clerk and, within five days after the filing, publish and mail copies of it as described above for proposed assessments. The mailings and publications must state the date on which the assessment was filed and that all appeals must be taken within 21 days of that date.

Appeals

People aggrieved by a benefit assessment may appeal to the Superior Court for the judicial district in which the property is located. A court appeal (1) must have a return date that is between 12 and 30 days after the appeal is served and (2) is privileged in respect to its assignment for trial. The court may appoint a state referee to appraise the benefits to the property and report to the court. The court's judgment confirming or altering the assessment is final. The owner's appeal does not stay proceedings for collecting the assessment, but the appellant must be reimbursed for any overpayments made if his or her assessment is reduced as a result of the appeal.

Collection

The district board must set the payment due date for the benefit assessments at least 30 days in advance by (1) publishing it in a newspaper with general circulation in the district and (2) mailing it to the last known address of the affected property owners.

BONDING***Bond Limits***

The district must enter into an interlocal agreement with East Hartford before it can issue bonds. The interlocal agreement must be ratified by the town council and have at least one public hearing. Once the district has done so, the bill allows the board, by resolution, to issue:

1. up to \$125 million in bonds to finance district improvements secured by (a) the district's full faith and credit; (b) fees, revenues, and benefit assessments; or (c) a combination of the two;
2. bonds secured only by fees, revenues, benefit assessments, or charges the district imposes on the specific properties financed by this debt; and
3. refunding bonds.

While the bonds are outstanding, the district's powers may not be impaired in any way that would adversely affect bondholders' interests.

Bond Terms

The district can use the bond proceeds to finance the improvements, create and maintain necessary reserves, and cover the issuance costs. It may use its revenues and full faith and credit to secure the bonds, whose terms cannot exceed 30 years.

The bill allows the district board to determine how it will issue and repay the bonds and specifies the kinds of terms and conditions it may include in its agreements with the bondholders. It declares the bonds negotiable instruments under the Uniform Commercial Code. The bill makes the bonds securities in which governments and private entities may invest.

Unless the law provides otherwise, the bonds are not considered debt of the state or East Hartford and only the district is liable for them.

TAX EXEMPTION

The bill exempts the district's revenues and real and personal property from state and municipal taxes and benefit assessments. It also exempts the principal and interest on its bonds from taxes except state estate and gift, franchise, and excise taxes. But this exemption does not limit the state's and East Hartford's authority to levy taxes on the people and businesses living or operating in the district and their respective real or personal property.

INTERACTION WITH STATE AND LOCAL LAWS

The bill specifies that the district's powers are in addition to those the law gives to statutory districts, but the bill's provisions control where they conflict with the statutes or any law or East Hartford ordinance or resolution. State and municipal laws, ordinances, and resolutions still govern property, residents, and businesses in the districts.

East Hartford may help the district finance its projects, but it is under no obligation to do so or pledge any funds to pay its debt service. If it chooses to provide financial or other assistance, it must do so under an interlocal agreement negotiated with the district.

The bill requires the portions of the bill outlining how the special taxing district is created and operated to be liberally construed to effect their purposes.

MERGER WITH EAST HARTFORD

The bill allows East Hartford's town council to merge the district into the town (1) if the district fails to issue bonds by October 1, 2035, or (2) after the district's bonds are no longer outstanding. In either case, the district's property is conveyed to the town at the time of the merger.

TERMINATION

The requirements for terminating the district are the same as those for statutory districts. The decision must be made at a district meeting, which the officers can call for this purpose by voting to terminate the district. The voters can also trigger the meeting if at least 10% of voters or 20 voters, whichever is less, sign a petition calling for a meeting on termination. Or, in lieu of the meeting, voters can petition for a referendum on termination, subject to the same requirements as those for referenda on whether to form a district. In either case, the district's officers must terminate the district if two-thirds of the voters at the meeting or in the referendum approve.

If the district's termination is approved, the district must still pay off its debt and transfer its remaining assets to East Hartford if the town council approves. Alternatively, the district may dissolve if the town council agrees, in writing, to assume that debt.

The district officially terminates when either of these events occur and the officers complete their duties. At that point, the clerk must record a certificate of the termination vote in the town's land records and notify OPM about the termination.

STATE APPROVALS FOR DISTRICT IMPROVEMENTS

Applicable District Improvements

The bill's process applies to state administrative actions, permit issuances, and approvals ("approvals for district improvements") by

state agency commissioners for any work connected to the following “district improvements”:

1. transit enhancements, bridges, roads, and traffic signals (see “Traffic Law Exemptions” below);
2. easements;
3. sewer or water treatment facilities, environmental protection devices, stormwater or sanitary sewer lines, and utility lines;
4. fire station improvements; and
5. water improvements along the Connecticut River in the district.

Additionally, administrative actions by a public entity (i.e. the state and any of its agencies, instrumentalities, or political subdivisions) are generally subject to the bill’s approval process if the district enters into a written agreement with the entity for this work (e.g., to get a government permit, license or approval; acquire property; or build utility connections). But the process does not apply if federal law or an applicable agreement requires otherwise.

Approval Authority

Approvals for district improvements must be issued by (1) the commissioner with relevant jurisdiction over the matter, or (2) another state official designated by the commissioner. The bill prohibits any agency, commission, council, committee, panel, or other body, other than the commissioner, from having jurisdiction over these approvals for district improvements unless the commissioner with approval authority requires it. And it exempts these approvals from any notice requirements for tentative or final determinations or approvals, except those required by the bill itself.

Approval Process

To the extent each commissioner finds practicable, he or she must adopt a “master process” to consider multiple licenses, permits, approvals, and administrative actions. Approval applications are

submitted directly to commissioners. Commissioners must hold any required hearing, legal notice of which must be published between five and 10 days before the hearing in a newspaper with general circulation in the district.

Unless they deny a license, permit, or approval (including a request for administrative action), commissioners must issue their approval or take the requested action within 10 business days after receiving an application, unless they must hold a hearing on it. If commissioners do not deny or grant conditional approval by the 10th business day after the hearing is held, approval is deemed to have been given on the next day.

The bill requires commissioners to weigh all competent material and substantial evidence presented by the applicant and the public when making decisions on these applications. Commissioners must issue written findings and determinations that address appropriate evidence, including the nature of any major adverse health and environmental effects of the improvements. They may reverse or modify an order or action at any time on their own initiative. In making such a reversal or modification, they must follow the same procedure they followed in approving the application.

Satisfying State Building and Fire Permits and Inspections

For any work connected to district improvements that requires a permit or inspection by the state building inspector or state fire marshal, the district can instead have an engineer or other duly state-certified or -licensed professional certify the work. This certification satisfies these permit and inspection requirements if the work complies with any applicable state building and fire codes and safety regulations.

Records Disclosure

The bill makes all applications, supporting documentation, and other records submitted in connection with any application, together with records of related proceedings, public records. These must be made, kept, and disclosed in accordance with the state's freedom of

information law.

Appeals

The bill allows any administrative action taken by a commissioner connected with the district improvements to be appealed to the Hartford Superior Court in accordance with the process for appeals to court under the Uniform Administrative Procedure Act (UAPA), with certain modifications that expedite the process. Under the bill:

1. appeals must be filed and copies must be served within 10 days after the commissioner's mailing of the order, decision, or action, rather than within 45 days as the UAPA generally requires;
2. the commissioner who made the decision must transmit the proceeding's record to court within 10 days, rather than 30 days, after the appeal is served; and
3. the court must render its decision within 21 days after the record is filed, unlike under the UAPA, which does not provide a deadline for the court.

The appeal must state the reasons on which it is based and does not stay the improvements' development. As under the UAPA, the proceeding's records must separately state the agency's findings and conclusions. Under the bill, if more than one commissioner has jurisdiction over the matter, the commissioners must issue joint findings and conclusions. Additionally, the bill requires the commissioner who made the decision to appear as the respondent.

Under the bill, if the court finds material prejudice, it can sustain the appeal and render a judgment that modifies the commissioner's decision or orders the commissioner to take specific actions. Following these court actions, an applicant may file an amended application, and the commissioner may consider it for approval.

TRAFFIC LAW EXEMPTIONS

In addition to exempting specified district improvements from

statutory state-approval processes, the bill exempts the same district improvements from laws:

1. requiring major traffic-generating developments to get a certificate of operation from the Office of the State Traffic Administration (OSTA);
2. authorizing OSTA and local traffic authorities to require traffic controls for access to and from specified parking areas or commercial establishments with an entrance or exit on or near a state or local road, as applicable;
3. establishing a 60-day timeframe for the Department of Transportation and OSTA to make a final determination on economic development project petitions, applications, or requests;
4. authorizing traffic authorities to make and enforce temporary regulations to cover emergencies and special conditions;
5. allowing anyone aggrieved by a traffic authority's order or regulation under the traffic control and highway safety laws to appeal it;
6. establishing penalties for failing to comply with traffic control and safety orders and damaging or removing traffic control devices, signs, or lights; and
7. requiring OSTA, if requested, to put up special warning signs near the residences of children who are deaf.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 19 Nay 0 (03/21/2025)