



General Assembly

January Session, 2025

***Raised Bill No. 6833***

LCO No. 3844



Referred to Committee on PLANNING AND  
DEVELOPMENT

Introduced by:  
(PD)

***AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS'  
RECOMMENDATIONS FOR TECHNICAL REVISIONS TO STATUTES  
RELATING TO PLANNING AND DEVELOPMENT.***

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

1 Section 1. Subsection (a) of section 4-124s of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
3 *2025*):

4 (a) For purposes of this section:

5 (1) "Regional council of governments" means any such council  
6 organized under the provisions of sections 4-124i to 4-124p, inclusive;

7 (2) "Municipality" means a town, city or consolidated town and  
8 borough;

9 (3) "Legislative body" means the board of selectmen, town council,  
10 city council, board of [alderman] aldermen, board of directors, board of  
11 representatives or board of the warden and burgesses of a municipality;

12 (4) "Secretary" means the Secretary of the Office of Policy and  
13 Management or the designee of the secretary;

14 (5) "Regional educational service center" has the same meaning as  
15 provided in section 10-282; and

16 (6) "Employee organization" means any lawful association, labor  
17 organization, federation or council having as a primary purpose the  
18 improvement of wages, hours and other conditions of employment.

19 Sec. 2. Section 7-339hh of the general statutes is repealed and the  
20 following is substituted in lieu thereof (*Effective July 1, 2025*):

21 Costs authorized for payment from a district master plan fund,  
22 established pursuant to section 7-339gg, are limited to:

23 (1) Costs of improvements made within the tax increment district,  
24 including, but not limited to, (A) capital costs, including, but not limited  
25 to, (i) the acquisition or construction of land, improvements,  
26 infrastructure, public ways, parks, buildings, structures, railings, street  
27 furniture, signs, landscaping, plantings, benches, trash receptacles,  
28 curbs, sidewalks, turnouts, recreational facilities, structured parking,  
29 transportation improvements, pedestrian improvements and other  
30 related improvements, fixtures and equipment for public use; [.] (ii) the  
31 acquisition or construction of land, improvements, infrastructure,  
32 buildings, structures, including facades and signage, fixtures and  
33 equipment for industrial, commercial, residential, mixed-use or retail  
34 use or transit-oriented development; [.] (iii) the demolition, alteration,  
35 remodeling, repair or reconstruction of existing buildings, structures  
36 and fixtures; (iv) environmental remediation; (v) site preparation and  
37 finishing work; and (vi) all fees and expenses associated with the capital  
38 cost of such improvements, including, but not limited to, licensing and  
39 permitting expenses and planning, engineering, architectural, testing,  
40 legal and accounting expenses; (B) financing costs, including, but not  
41 limited to, closing costs, issuance costs, reserve funds and capitalized  
42 interest; (C) real property assembly costs; (D) costs of technical and  
43 marketing assistance programs; (E) professional service costs,

44 including, but not limited to, licensing, architectural, planning,  
45 engineering, development and legal expenses; (F) maintenance and  
46 operation costs; (G) administrative costs, including, but not limited to,  
47 reasonable charges for the time spent by municipal employees, other  
48 agencies or third-party entities in connection with the implementation  
49 of a district master plan; and (H) organizational costs relating to the  
50 planning and the establishment of the tax increment district, including,  
51 but not limited to, the costs of conducting environmental impact and  
52 other studies and the costs of informing the public about the creation of  
53 tax increment districts and the implementation of the district master  
54 plan;

55 (2) Costs of improvements that are made outside the tax increment  
56 district but are directly related to or are made necessary by the  
57 establishment or operation of the tax increment district, including, but  
58 not limited to, (A) that portion of the costs reasonably related to the  
59 construction, alteration or expansion of any facilities not located within  
60 the tax increment district that are required due to improvements or  
61 activities within the tax increment district, including, but not limited to,  
62 roadways, traffic signalization, easements, sewage treatment plants,  
63 water treatment plants or other environmental protection devices, storm  
64 or sanitary sewer lines, water lines, electrical lines, improvements to fire  
65 stations, and street signs; (B) costs of public safety and public school  
66 improvements made necessary by the establishment of the tax  
67 increment district; and (C) costs of funding to mitigate any adverse  
68 impact of the tax increment district upon the municipality and its  
69 constituents;

70 (3) Costs related to economic development, environmental  
71 improvements or employment training associated with the tax  
72 increment district, including, but not limited to, (A) economic  
73 development programs or events related to the tax increment district;  
74 (B) environmental improvement projects developed by the municipality  
75 related to the tax increment district; (C) the establishment of permanent  
76 economic development revolving loan funds, investment funds and  
77 grants; and (D) services and equipment necessary for employment skills

78 development and training, including scholarships to in-state  
79 educational institutions for jobs created or retained in the tax increment  
80 district; and

81 (4) Costs of improvements that are made outside the tax increment  
82 district for the renovation or rehabilitation of a housing development  
83 that is a set-aside development, as defined in subsection (a) of section 8-  
84 30g, for which development the deed covenants or restrictions that  
85 preserve such development as a set-aside development will expire in  
86 not more than three years, provided the costs of such improvements are  
87 paid pursuant to an agreement between the municipality and the owner  
88 of such development in which the owner agrees to renew such deed  
89 covenants or restrictions for not less than forty years.

90 Sec. 3. Section 7-393 of the general statutes is repealed and the  
91 following is substituted in lieu thereof (*Effective July 1, 2025*):

92 Upon the completion of an audit, the independent auditor shall file  
93 certified copies of the audit report [with] (1) with the appointing  
94 authority, (2) in the case of a town, city or borough, with the clerk of  
95 such town, city or borough, (3) in the case of a regional school district,  
96 with the clerks of the towns, cities or boroughs in which such regional  
97 school district is located and with the board of education, (4) in the case  
98 of an audited agency, with the clerks of the towns, cities or boroughs in  
99 which such audited agency is located, and (5) in each case, with the  
100 Secretary of the Office of Policy and Management. Such copies shall be  
101 filed within six months from the end of the fiscal year of the  
102 municipality, regional school district or audited agency, but the  
103 secretary may grant an extension of not more than thirty days, provided  
104 the auditor making the audit and the chief executive officer of the  
105 municipality, regional school district or audited agency shall jointly  
106 submit a request in writing to the secretary stating the reasons for such  
107 extension at least thirty days prior to the end of such six-month period.  
108 If the reason for the extension relates to deficiencies in the accounting  
109 system of the municipality, regional school district or audited agency,  
110 the request must be accompanied by a corrective action plan. The

111 secretary may, after a hearing with the auditor and officials of the  
112 municipality, regional school district or audited agency, grant an  
113 additional extension if conditions warrant, provided such extension  
114 shall not exceed six months from the date the auditor was required to  
115 file such copies. Said auditor shall preserve all of his or her working  
116 papers employed in the preparation of any such audit until the  
117 expiration of five years from the date of filing a certified copy of the  
118 audit with the secretary and such working papers shall be available,  
119 upon written request and upon reasonable notice from the secretary,  
120 during such time for inspection by the secretary or his authorized  
121 representative, at the office or place of business of the auditor, during  
122 usual business hours. Any municipality, regional school district,  
123 audited agency or auditor who fails to have the audit report filed on its  
124 behalf within six months from the end of the fiscal year or within the  
125 time granted by the secretary shall be referred by the secretary to the  
126 Municipal Finance Advisory Commission established pursuant to  
127 section 7-394b, assessed a civil penalty of not less than one thousand  
128 dollars but not more than fifty thousand dollars or both, except that the  
129 secretary may waive such penalties if, in the secretary's opinion, there  
130 appears to be reasonable cause for not having completed or provided  
131 the required audit report, provided an official of the municipality,  
132 regional school district or audited agency or the auditor submits a  
133 written request for such waiver. The secretary may impose any civil  
134 penalty assessed pursuant to this section against a municipality,  
135 regional school district or audited agency in the form of a reduction in  
136 the amount of one or more grants awarded by the secretary, including,  
137 but not limited to, any grant payable pursuant to section 12-18b.

138       Sec. 4. Subdivision (2) of subsection (a) of section 7-576e of the general  
139 statutes is repealed and the following is substituted in lieu thereof  
140 (*Effective July 1, 2025*):

141       (2) The Municipal Accountability Review Board may designate a tier  
142 III municipality as a tier IV municipality based on a finding by the board  
143 that the fiscal condition of such municipality warrants such a  
144 designation based upon an evaluation of the following criteria: (A) The

145 balance in the municipal reserve fund; (B) the short and long-term  
 146 liabilities of the municipality, including, but not limited to, the  
 147 municipality's ability to meet minimum funding levels required by law,  
 148 contract or court order; (C) the initial budgeted revenue for the  
 149 municipality for the past five fiscal years as compared to the actual  
 150 revenue received by the municipality for such fiscal years; (D) budget  
 151 projections for the following five fiscal years; (E) the economic outlook  
 152 for the municipality; (F) the municipality's access to capital markets; and  
 153 (G) evidence of unsound or irregular financial practices in relation to  
 154 commonly accepted standards in municipal finance that the board  
 155 believes may materially affect the municipality's financial condition. For  
 156 the purpose of determining whether to make a finding pursuant to this  
 157 subdivision, the membership of the board shall additionally include the  
 158 chief elected official of such municipality, the treasurer of such  
 159 municipality and a member of the legislative body of such municipality,  
 160 as selected by such body. In conducting a vote on any such  
 161 determination, the treasurer of such municipality shall be a [non-voting]  
 162 nonvoting member of the board. The board shall submit such finding  
 163 and recommended designation to the secretary, who shall provide for a  
 164 thirty-day notice and public comment period related to such finding  
 165 and recommendation. Following the public notice and comment period,  
 166 the secretary shall forward the board's finding and recommended  
 167 designation and a report regarding the comments received in this regard  
 168 to the Governor. Following the receipt of such documentation from the  
 169 secretary, the Governor may approve or disapprove the board's  
 170 recommended designation.

171 Sec. 5. Section 7-576i of the general statutes is repealed and the  
 172 following is substituted in lieu thereof (*Effective July 1, 2025*):

173 (a) Any designated tier II, III [,] or IV municipality shall be eligible to  
 174 receive funding from the Municipal Restructuring Fund, which fund  
 175 shall be nonlapsing. A designated tier II, III or IV municipality seeking  
 176 such funds shall submit, for approval by the Secretary of the Office of  
 177 Policy and Management, a plan detailing its overall restructuring plan,  
 178 including local actions to be taken and its proposed use of such funds.

179 Notwithstanding section 10-262j, a municipality may, as part of such  
180 plan and in consultation with its local board of education, submit a  
181 proposed reduction in the minimum budget requirement related to its  
182 education budget. The secretary shall consult with the Commissioner of  
183 Education in approving or rejecting such proposed reduction. The  
184 secretary shall consult with the Municipal Accountability Review Board  
185 in making distribution decisions and attaching appropriate conditions  
186 thereto, including the timing of any such distributions and whether such  
187 funds shall be distributed in the form of a municipal restructuring fund  
188 loan subject to repayment by the municipality. The distribution of such  
189 assistance funds shall be based on the relative fiscal needs of the  
190 requesting municipalities. The secretary may approve all, none or a  
191 portion of the funds requested by a municipality. In attaching  
192 conditions to such funding, the secretary shall consider the impact of  
193 such conditions on the ability of a municipality to meet legal and other  
194 obligations. The board shall monitor and report to the secretary on the  
195 use of such funds and adherence to the conditions attached thereto. The  
196 secretary shall develop and issue guidance on the (1) administration of  
197 the Municipal Restructuring Fund, (2) criteria for participation by  
198 municipalities and requirements for plan submission, and (3)  
199 prioritization for the awarding of assistance funds pursuant to this  
200 section. Any municipality that receives funding from the Municipal  
201 Restructuring Fund, in addition to the other responsibilities and  
202 authority given to the board with respect to designated tiers II, III and  
203 IV municipalities, shall be required to receive board approval of its  
204 annual budgets.

205 (b) The secretary may distribute funds from the Municipal  
206 Restructuring Fund to a third party on behalf of a designated tier II, tier  
207 III or tier IV municipality. Funds received by a municipality pursuant to  
208 this section may be used, in part, to pay an arbitrator selected pursuant  
209 to clause (v) of subdivision (3) of subsection (a) of section 7-576e.

210 (c) Notwithstanding the provisions of subsection (a) of this section,  
211 in making distributions from the Municipal Restructuring Fund, the  
212 board shall give immediate consideration to any municipality that shall

213 default on debt obligations by January 1, 2018, without an immediate  
214 distribution of such funds.

215 Sec. 6. Subdivision (3) of subsection (c) of section 7-622 of the general  
216 statutes is repealed and the following is substituted in lieu thereof  
217 (*Effective July 1, 2025*):

218 (3) If the administrator determines that an applicant requesting  
219 assistance to pay for repairs to real property is eligible, (A) a licensed  
220 home inspector or insurance adjuster with whom the Office of the  
221 Comptroller has executed a contract for services, or (B) at such eligible  
222 applicant's option, a licensed home inspector or insurance adjuster with  
223 experience assessing flood damage who is approved by the  
224 administrator and hired by such eligible applicant, shall evaluate the  
225 damage to the applicant's property and provide a report concerning  
226 such damage to the administrator. Such report shall be in a form and  
227 manner prescribed by the administrator, and shall include, but need not  
228 be limited to, a description of the damage to such eligible applicant's  
229 property and the estimated cost to repair such damage. Not later than  
230 thirty days after the receipt of such report, the administrator may award  
231 a grant, in accordance with a formula established by the Comptroller, to  
232 the eligible applicant, or at the administrator's discretion, provide such  
233 grant to a contractor or vendor selected by the applicant to repair such  
234 damage. Such formula shall include a reduction in the amount of any  
235 such grant equal to any payments received by the applicant pursuant to  
236 any claim made against a property and casualty insurance policy held  
237 by such applicant for such damage.

238 Sec. 7. Subsection (b) of section 8-216a of the general statutes is  
239 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
240 *2025*):

241 (b) Any modification, amendment [.] or replacement of a contract  
242 already in existence on or before October 1, 1973, shall not be subject to  
243 the provisions of subsection (a) of this section without the mutual  
244 consent of the parties thereto.



245       Sec. 8. Subsection (a) of section 12-170d of the general statutes is  
246 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
247 *2025*):

248       (a) Beginning with the calendar year 1973 and for each calendar year  
249 thereafter, any renter of real property, or of a mobile manufactured  
250 home, as defined in section 12-63a, which such renter occupies as his or  
251 her home, who meets the qualifications set forth in this section, shall be  
252 entitled to receive in the following year in the form of direct payment  
253 from the state, a grant in refund of utility and rent bills actually paid by  
254 or for such renter on such real property or mobile manufactured home  
255 to the extent set forth in section 12-170e. Such grant by the state shall be  
256 made upon receipt by the state of a certificate of grant with a copy of the  
257 application therefor attached, as provided in section 12-170f. If the rental  
258 quarters are occupied by more than one person, it shall be assumed for  
259 the purposes of this section and sections 12-170e and 12-170f that each  
260 of such persons pays his or her proportionate share of the rental and  
261 utility expenses levied thereon and grants shall be calculated on that  
262 portion of utility and rent bills paid that are applicable to the person  
263 making application for grant under said sections. For purposes of this  
264 section and sections 12-170e and 12-170f, a married couple shall  
265 constitute one tenant, and a resident of cooperative housing shall be a  
266 renter. To qualify for such payment by the state, the renter shall meet  
267 qualification requirements in accordance with each of the following  
268 subdivisions: (1) (A) At the close of the calendar year for which a grant  
269 is claimed be sixty-five years of age or over, or his or her spouse who is  
270 residing with such renter shall be sixty-five years of age or over, at the  
271 close of such year, or be fifty years of age or over and the surviving  
272 spouse of a renter who at the time of his or her death had qualified and  
273 was entitled to tax relief under this chapter, provided such spouse was  
274 domiciled with such renter at the time of his or her death, or (B) at the  
275 close of the calendar year for which a grant is claimed be under age  
276 sixty-five and eligible in accordance with applicable federal regulations,  
277 to receive permanent total disability benefits under Social Security, or if  
278 such renter has not been engaged in employment covered by Social

279 Security and accordingly has not qualified for Social Security benefits  
280 but has become qualified for permanent total disability benefits under  
281 any federal, state or local government retirement or disability plan,  
282 including the Railroad Retirement Act and any government-related  
283 teacher's retirement plan, determined by the Secretary of the Office of  
284 Policy and Management to contain requirements in respect to  
285 qualification for such permanent total disability benefits which are  
286 comparable to such requirements under Social Security; (2) shall reside  
287 within this state and shall have resided within this state for at least one  
288 year or such renter's spouse who is domiciled with such renter shall  
289 have resided within this state for at least one year and shall reside within  
290 this state at the time of filing the claim and shall have resided within this  
291 state for the period for which claim is made; (3) shall have taxable and  
292 nontaxable income, the total of which shall hereinafter be called  
293 "qualifying income", during the calendar year preceding the filing of  
294 such renter's claim in an amount of not more than twenty thousand  
295 dollars, jointly with spouse, if married, and not more than sixteen  
296 thousand two hundred dollars if unmarried, provided such maximum  
297 amounts of qualifying income shall be subject to adjustment in  
298 accordance with subdivision (2) of subsection (a) of section 12-170e, and  
299 provided the amount of any Medicaid payments made on behalf of the  
300 renter or the spouse of the renter shall not constitute income; and (4)  
301 shall not have received financial aid or subsidy from federal, state,  
302 county or municipal funds, excluding Social Security receipts,  
303 emergency energy assistance under any state program, emergency  
304 energy assistance under any federal program, emergency energy  
305 assistance under any local program, payments received under the  
306 federal Supplemental Security Income Program, payments derived  
307 from previous employment, veterans and veterans disability benefits  
308 and subsidized housing accommodations, during the calendar year for  
309 which a grant is claimed, for payment, directly or indirectly, of rent,  
310 electricity, gas, water and fuel applicable to the rented residence.  
311 Notwithstanding the provisions of subdivision (4) of this subsection, a  
312 renter who receives cash assistance from the Department of Social  
313 Services in the calendar year prior to that in which such renter files an

314 application for a grant may be entitled to receive such grant provided  
 315 the amount of the cash assistance received shall be deducted from the  
 316 amount of such grant and the difference between the amount of the cash  
 317 assistance and the amount of the grant is equal to or greater than ten  
 318 dollars. Funds attributable to such reductions shall be transferred  
 319 annually from the appropriation to the Office of Policy and  
 320 Management, for tax relief for elderly renters, to the Department of  
 321 Social Services, to the appropriate accounts, following the issuance of  
 322 such grants. Notwithstanding the provisions of subsection (b) of section  
 323 12-170aa, the owner of a mobile manufactured home may elect to  
 324 receive benefits under section 12-170e in lieu of benefits under said  
 325 section 12-170aa.

This act shall take effect as follows and shall amend the following sections:

|           |                     |              |
|-----------|---------------------|--------------|
| Section 1 | <i>July 1, 2025</i> | 4-124s(a)    |
| Sec. 2    | <i>July 1, 2025</i> | 7-339hh      |
| Sec. 3    | <i>July 1, 2025</i> | 7-393        |
| Sec. 4    | <i>July 1, 2025</i> | 7-576e(a)(2) |
| Sec. 5    | <i>July 1, 2025</i> | 7-576i       |
| Sec. 6    | <i>July 1, 2025</i> | 7-622(c)(3)  |
| Sec. 7    | <i>July 1, 2025</i> | 8-216a(b)    |
| Sec. 8    | <i>July 1, 2025</i> | 12-170d(a)   |

***PD***      *Joint Favorable*