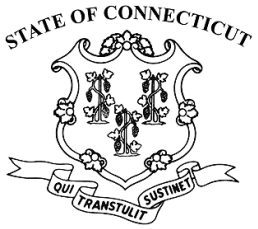

House Bill No. 6833

Public Act No. 25-133

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:

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 Subsection (a) of section 4-124s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) For purposes of this section:

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

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

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

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

(5) "Regional educational service center" has the same meaning as

provided in section 10-282; and

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

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 Section 7-339hh of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

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

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

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

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

(3) Costs related to economic development, environmental improvements or employment training associated with the tax increment district, including, but not limited to, (A) economic development programs or events related to the tax increment district; (B) environmental improvement projects developed by the municipality related to the tax increment district; (C) the establishment of permanent

economic development revolving loan funds, investment funds and grants; and (D) services and equipment necessary for employment skills development and training, including scholarships to in-state educational institutions for jobs created or retained in the tax increment district; and

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

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

Upon the completion of an audit, the independent auditor shall file certified copies of the audit report **[**with**]** (1) with the appointing authority, (2) in the case of a town, city or borough, with the clerk of such town, city or borough, (3) in the case of a regional school district, with the clerks of the towns, cities or boroughs in which such regional school district is located and with the board of education, (4) in the case of an audited agency, with the clerks of the towns, cities or boroughs in which such audited agency is located, and (5) in each case, with the Secretary of the Office of Policy and Management. Such copies shall be filed within six months from the end of the fiscal year of the municipality, regional school district or audited agency, but the secretary may grant an extension of not more than thirty days, provided the auditor making the audit and the chief executive officer of the municipality, regional school district or audited agency shall jointly submit a request in writing to the secretary stating the reasons for such

extension at least thirty days prior to the end of such six-month period. If the reason for the extension relates to deficiencies in the accounting system of the municipality, regional school district or audited agency, the request must be accompanied by a corrective action plan. The secretary may, after a hearing with the auditor and officials of the municipality, regional school district or audited agency, grant an additional extension if conditions warrant, provided such extension shall not exceed six months from the date the auditor was required to file such copies. Said auditor shall preserve all of his or her working papers employed in the preparation of any such audit until the expiration of five years from the date of filing a certified copy of the audit with the secretary and such working papers shall be available, upon written request and upon reasonable notice from the secretary, during such time for inspection by the secretary or his authorized representative, at the office or place of business of the auditor, during usual business hours. Any municipality, regional school district, audited agency or auditor who fails to have the audit report filed on its behalf within six months from the end of the fiscal year or within the time granted by the secretary shall be referred by the secretary to the Municipal Finance Advisory Commission established pursuant to section 7-394b, assessed a civil penalty of not less than one thousand dollars but not more than fifty thousand dollars or both, except that the secretary may waive such penalties if, in the secretary's opinion, there appears to be reasonable cause for not having completed or provided the required audit report, provided an official of the municipality, regional school district or audited agency or the auditor submits a written request for such waiver. The secretary may impose any civil penalty assessed pursuant to this section against a municipality, regional school district or audited agency in the form of a reduction in the amount of one or more grants awarded by the secretary, including, but not limited to, any grant payable pursuant to section 12-18b.

Sec. 4. Subdivision (2) of subsection (a) of section 7-576e of the general

statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(2) The Municipal Accountability Review Board may designate a tier III municipality as a tier IV municipality based on a finding by the board that the fiscal condition of such municipality warrants such a designation based upon an evaluation of the following criteria: (A) The balance in the municipal reserve fund; (B) the short and long-term liabilities of the municipality, including, but not limited to, the municipality's ability to meet minimum funding levels required by law, contract or court order; (C) the initial budgeted revenue for the municipality for the past five fiscal years as compared to the actual revenue received by the municipality for such fiscal years; (D) budget projections for the following five fiscal years; (E) the economic outlook for the municipality; (F) the municipality's access to capital markets; and (G) evidence of unsound or irregular financial practices in relation to commonly accepted standards in municipal finance that the board believes may materially affect the municipality's financial condition. For the purpose of determining whether to make a finding pursuant to this subdivision, the membership of the board shall additionally include the chief elected official of such municipality, the treasurer of such municipality and a member of the legislative body of such municipality, as selected by such body. In conducting a vote on any such determination, the treasurer of such municipality shall be a **[**non-voting**]** nonvoting member of the board. The board shall submit such finding and recommended designation to the secretary, who shall provide for a thirty-day notice and public comment period related to such finding and recommendation. Following the public notice and comment period, the secretary shall forward the board's finding and recommended designation and a report regarding the comments received in this regard to the Governor. Following the receipt of such documentation from the secretary, the Governor may approve or disapprove the board's recommended designation.

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

(a) Any designated tier II, III **[**,**]** or IV municipality shall be eligible to receive funding from the Municipal Restructuring Fund, which fund shall be nonlapsing. A designated tier II, III or IV municipality seeking such funds shall submit, for approval by the Secretary of the Office of Policy and Management, a plan detailing its overall restructuring plan, including local actions to be taken and its proposed use of such funds. Notwithstanding section 10-262j, a municipality may, as part of such plan and in consultation with its local board of education, submit a proposed reduction in the minimum budget requirement related to its education budget. The secretary shall consult with the Commissioner of Education in approving or rejecting such proposed reduction. The secretary shall consult with the Municipal Accountability Review Board in making distribution decisions and attaching appropriate conditions thereto, including the timing of any such distributions and whether such funds shall be distributed in the form of a municipal restructuring fund loan subject to repayment by the municipality. The distribution of such assistance funds shall be based on the relative fiscal needs of the requesting municipalities. The secretary may approve all, none or a portion of the funds requested by a municipality. In attaching conditions to such funding, the secretary shall consider the impact of such conditions on the ability of a municipality to meet legal and other obligations. The board shall monitor and report to the secretary on the use of such funds and adherence to the conditions attached thereto. The secretary shall develop and issue guidance on the (1) administration of the Municipal Restructuring Fund, (2) criteria for participation by municipalities and requirements for plan submission, and (3) prioritization for the awarding of assistance funds pursuant to this section. Any municipality that receives funding from the Municipal Restructuring Fund, in addition to the other responsibilities and authority given to the board with respect to designated tiers II, III and

IV municipalities, shall be required to receive board approval of its annual budgets.

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

(c) Notwithstanding the provisions of subsection (a) of this section, in making distributions from the Municipal Restructuring Fund, the board shall give immediate consideration to any municipality that shall default on debt obligations by January 1, 2018, without an immediate distribution of such funds.

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

(3) If the administrator determines that an applicant requesting assistance to pay for repairs to real property is eligible, (A) a licensed home inspector or insurance adjuster with whom the Office of the Comptroller has executed a contract for services, or (B) at such eligible applicant's option, a licensed home inspector or insurance adjuster with experience assessing flood damage who is approved by the administrator and hired by such eligible applicant, shall evaluate the damage to the applicant's property and provide a report concerning such damage to the administrator. Such report shall be in a form and manner prescribed by the administrator, and shall include, but need not be limited to, a description of the damage to such eligible applicant's property and the estimated cost to repair such damage. Not later than thirty days after the receipt of such report, the administrator may award a grant, in accordance with a formula established by the Comptroller, to the eligible applicant, or at the administrator's discretion, provide such

grant to a contractor or vendor selected by the applicant to repair such damage. Such formula shall include a reduction in the amount of any such grant equal to any payments received by the applicant pursuant to any claim made against a property and casualty insurance policy held by such applicant for such damage.

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

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

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

(a) Beginning with the calendar year 1973 and for each calendar year thereafter, any renter of real property, or of a mobile manufactured home, as defined in section 12-63a, which such renter occupies as his or her home, who meets the qualifications set forth in this section, shall be entitled to receive in the following year in the form of direct payment from the state, a grant in refund of utility and rent bills actually paid by or for such renter on such real property or mobile manufactured home to the extent set forth in section 12-170e. Such grant by the state shall be made upon receipt by the state of a certificate of grant with a copy of the application therefor attached, as provided in section 12-170f. If the rental quarters are occupied by more than one person, it shall be assumed for the purposes of this section and sections 12-170e and 12-170f that each of such persons pays his or her proportionate share of the rental and utility expenses levied thereon and grants shall be calculated on that portion of utility and rent bills paid that are applicable to the person

making application for grant under said sections. For purposes of this section and sections 12-170e and 12-170f, a married couple shall constitute one tenant, and a resident of cooperative housing shall be a renter. To qualify for such payment by the state, the renter shall meet qualification requirements in accordance with each of the following subdivisions: (1) (A) At the close of the calendar year for which a grant is claimed be sixty-five years of age or over, or his or her spouse who is residing with such renter shall be sixty-five years of age or over, at the close of such year, or be fifty years of age or over and the surviving spouse of a renter who at the time of his or her death had qualified and was entitled to tax relief under this chapter, provided such spouse was domiciled with such renter at the time of his or her death, or (B) at the close of the calendar year for which a grant is claimed be under age sixty-five and eligible in accordance with applicable federal regulations, to receive permanent total disability benefits under Social Security, or if such renter has not been engaged in employment covered by Social Security and accordingly has not qualified for Social Security benefits but has become qualified for permanent total disability benefits under any federal, state or local government retirement or disability plan, including the Railroad Retirement Act and any government-related teacher's retirement plan, determined by the Secretary of the Office of Policy and Management to contain requirements in respect to qualification for such permanent total disability benefits which are comparable to such requirements under Social Security; (2) shall reside within this state and shall have resided within this state for at least one year or such renter's spouse who is domiciled with such renter shall have resided within this state for at least one year and shall reside within this state at the time of filing the claim and shall have resided within this state for the period for which claim is made; (3) shall have taxable and nontaxable income, the total of which shall hereinafter be called "qualifying income", during the calendar year preceding the filing of such renter's claim in an amount of not more than twenty thousand dollars, jointly with spouse, if married, and not more than sixteen

thousand two hundred dollars if unmarried, provided such maximum amounts of qualifying income shall be subject to adjustment in accordance with subdivision (2) of subsection (a) of section 12-170e, and provided the amount of any Medicaid payments made on behalf of the renter or the spouse of the renter shall not constitute income; and (4) shall not have received financial aid or subsidy from federal, state, county or municipal funds, excluding Social Security receipts, emergency energy assistance under any state program, emergency energy assistance under any federal program, emergency energy assistance under any local program, payments received under the federal Supplemental Security Income Program, payments derived from previous employment, veterans and veterans disability benefits and subsidized housing accommodations, during the calendar year for which a grant is claimed, for payment, directly or indirectly, of rent, electricity, gas, water and fuel applicable to the rented residence. Notwithstanding the provisions of subdivision (4) of this subsection, a renter who receives cash assistance from the Department of Social Services in the calendar year prior to that in which such renter files an application for a grant may be entitled to receive such grant provided the amount of the cash assistance received shall be deducted from the amount of such grant and the difference between the amount of the cash assistance and the amount of the grant is equal to or greater than ten dollars. Funds attributable to such reductions shall be transferred annually from the appropriation to the Office of Policy and Management, for tax relief for elderly renters, to the Department of Social Services, to the appropriate accounts, following the issuance of such grants. Notwithstanding the provisions of subsection (b) of section 12-170aa, the owner of a mobile manufactured home may elect to receive benefits under section 12-170e in lieu of benefits under said section 12-170aa.

Governor's Action:
Approved June 30, 2025