





Acts Affecting Municipalities

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Notice to Readers

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Each summary indicates the public act (PA) or special act (SA) number. Not all provisions of the acts are included. The report does not include vetoed acts unless the veto was overridden. Complete summaries of public acts are, or will soon be, available on OLR's website: https://www.cga.ct.gov/olr/olrpasums.asp.

Readers are encouraged to obtain the full text of acts that interest them from the Connecticut State Library, House Clerk's Office, or General Assembly's website: <u>http://www.cga.ct.gov</u>.

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Employees

Additional Compensation for Certain Retired Public Safety Employees

A new law authorizes municipalities to compensate certain public safety employees (i.e., paid, uniformed fire department and paid police department employees) who were severely injured in the line of duty and retired from service as a result of their injuries.

The compensation must equal the difference between (1) the amount the retired employee receives in workers' compensation and other benefits and (2) his or her regular pay at the time of retirement. Once the municipality's legislative body or board of selectmen approves the compensation, the municipality must pay it annually until the employee reaches age 65. Participating municipalities must establish procedures for evaluating and determining a retired employee's compensation eligibility (PA 19-111, effective October 1, 2019).

Connecticut Municipal Employee Retirement System (CMERS)

Starting with FY 20, a new law increases the required employee contribution rate for CMERS participants by 0.5% a year for six consecutive fiscal years, for a total increase of 3%. The increases apply from FY 20 through FY 25. For the portion of any employee's pay that is subject to Social Security tax, the required contribution rate will go from 2.25% to 5.25% of pay over this period; for the portion of pay that is not subject to Social Security tax, the rate will go from 5% to 8% (PA 19-124, § 1, effective July 1, 2019).

Deadline to Review Arbitration Awards

A new law extends the deadline for municipalities to reject an arbitration award to the next business day if the deadline falls on a weekend or holiday. Existing law otherwise allows a municipality to reject an arbitration award within 25 days after it receives the arbitrator's decision. It must do so by a two-thirds vote of the members of its legislative body who are present at a regular or special meeting called and convened for such purpose (<u>PA 19-107</u>, effective October 1, 2019).

Municipal Accountability Review Board (MARB) Review of Tier III Municipalities' Collective Bargaining Agreements

Under existing law, MARB has authority to approve or reject any Tier III municipality's municipal or board of education collective bargaining agreements or amendments. A new law establishes deadlines by which (1) boards of education must submit agreements or amendments to MARB and

(2) MARB must approve or reject them. The act also allows MARB to act on board of education collective bargaining agreements that require federal approval but that the municipal legislative body does not have the authority to approve or reject (<u>PA 19-193</u>, § 5, effective July 1, 2019).

Non-State Public Employer Health Care Plans

A new law allows the comptroller to offer other types of health care plans to municipalities or other state political subdivisions, including boards of education and public libraries (i.e., non-state public employers). Under the law, these additional plans may be in addition to or instead of coverage under the state employee health insurance plan and may include group hospitalization, medical, pharmacy, or other surgical insurance plans the comptroller develops.

Among other things, the new law establishes (1) requirements related to such health plans and their premiums and (2) reporting requirements for non-state public employers and the comptroller (<u>PA 19-117</u>, §§ 377-383, effective July 1, 2019, except the reporting requirements are effective upon passage).

Land Use and Economic Development

Land Bank Authorities

A new law establishes a framework for municipalities, either on their own or jointly with other municipalities, to create nonprofit land bank authorities ("authorities") to acquire, maintain, and dispose of real property, except for brownfields. It gives the authorities' boards of directors broad powers to carry out the authority's purposes, including the power to enter into contracts, develop properties, and borrow money. It also gives authorities specific powers to dispose of and acquire property, but not the power to take property by eminent domain.

The new law exempts from state and local taxes any real property and interest in real property an authority holds and income it derives from the property. For any property conveyed by an authority, municipalities must remit to the authority 50% of the taxes they collect on the property in the following five years. It also allows them to issue revenue bonds backed by the revenue from their assets (PA 19-175, effective from passage).

Municipal Cultural Districts

New legislation allows municipalities, by a vote of their legislative bodies, to establish cultural districts to promote the public's educational, cultural, economic, and general welfare. The districts may do so by marketing arts and culture attractions, encouraging artists and artistic and cultural enterprises, and promoting tourism (<u>PA 19-143</u>, effective October 1, 2019).

Municipal Redevelopment Authority

A new law establishes a quasi-public Municipal Redevelopment Authority (MRDA) to, among other things, develop property and manage facilities in the areas around transit stations and downtowns (i.e., "development districts") to stimulate economic and transit-oriented development. The act requires certain municipalities to be members of MRDA and allows other municipalities to join as members under certain conditions. Under the act, MRDA's powers include purchasing property; hiring consultants, attorneys, and appraisers; entering into contracts; employing staff; and issuing bonds (<u>PA 19-117</u>, §§ 212-227, effective October 1, 2019).

Opportunity Zones

The federal Opportunity Zone program, created as part of the 2017 federal Tax Cuts and Jobs Act (P.L. 115-97), is designed to spur economic development and job creation in distressed communities by providing federal tax benefits for private investments in the zones.

This session, the legislature made various changes to the state's laws concerning the promotion and development of its 72 opportunity zones. With respect to taxes, a new law extends the historic structure rehabilitation tax credit's 30% credit to such projects located in opportunity zones and requires the Department of Economic and Community Development (DECD) to give these projects preference. It also requires the DECD commissioner to prioritize projects located in opportunity zones when approving applications for urban and industrial site reinvestment tax credits (PA 19-54, effective upon passage).

Receiverships for Abandoned Property

The legislature enacted a new law designed to give larger municipalities another tool to address blighted properties. The new law allows the Superior Court to appoint receivers for abandoned properties in towns with a population of at least 35,000. Under the act, lienholders and others may seek to be appointed as the receiver and, once appointed, are granted extensive powers to rehabilitate the property pursuant to a court-approved plan. Once the property is rehabilitated, the court may approve its sale, free of any encumbrances. The act (1) establishes a process for distributing sale proceeds and (2) requires the receiver to draft a deed after the sale that states that (a) recognizable and marketable title to the property is vested in the purchasers and (b) prior ownership interests are extinguished (PA 19-92, effective January 1, 2020).

Regional Tourism Districts

Connecticut has three regional tourism districts (eastern, central, and western) that promote and market the state as a travel destination to stimulate economic growth. This year the legislature

explicitly authorized the districts to establish and administer a matching grant program for tourism industry businesses, tourism destinations, and nonprofit arts and culture organizations to market their business, destination, or organization (<u>PA 19-101</u>, effective upon passage).

Tax Increment Financing (TIF) Districts

TIF is a development strategy whereby anticipated property tax revenue resulting from a major project is allocated to costs associated with the project. This year, the legislature made minor changes to the process municipalities must follow to establish a TIF district by eliminating or delaying certain deadlines for submitting TIF master plans to planning councils and adopting the plans (PA 19-185, effective October 1, 2019).

Environment

Air Quality Monitoring

A new law requires the Department of Energy and Environmental Protection (DEEP) to provide technical assistance and support to any municipality that purchases, leases, or is provided the use of air monitoring equipment to (1) establish an air quality baseline in the municipality and (2) determine any effect to the baseline by the Cricket Valley Energy Center in Dover, New York. The Cricket Valley Energy Center is a natural gas-fired power plant currently under construction in Dover, New York (PA 19-29, effective October 1, 2019).

Candlewood Lake Noise Ordinance

A new law authorizes DEEP's environmental conservation police officers to enforce the noise ordinance of any municipality bordering Candlewood Lake (i.e., Brookfield, Danbury, New Fairfield, New Milford, and Sherman) on the lake's waters. If more than one of these municipalities has a noise ordinance, the officers may enforce the most restrictive one (<u>PA 19-190</u>, § 3, effective upon passage).

Municipal Climate Change Reserve Fund

A new law allows a municipality to establish a climate change and coastal resiliency reserve fund upon the recommendation of its chief executive officer, approval of its budget-making authority, and majority vote of its legislative body. It specifies how a municipality may invest and spend the fund (<u>PA 19-77</u>, effective July 1, 2019).

Plastic Bags

A provision in the FY 20-21 budget act prohibits stores from providing plastic single-use checkout bags to consumers starting July 1, 2021. From August 1, 2019, until that date, the new law imposes a 10-cent fee, payable to the state, on such bags. The act specifies that it does not prohibit a municipality from enacting or enforcing an ordinance on (1) plastic single-use checkout bags that is at least as restrictive as the act or (2) paper single-use checkout bags, including an ordinance allowing stores to charge a fee for the paper bags (PA 19-117, § 355, effective August 1, 2019).

Statewide Ban on Fracking, Natural Gas, or Oil Waste

With a limited exception for research, a new law permanently bans accepting, receiving, collecting, storing, treating, transferring, selling, acquiring, handling, applying, processing, and disposing of hydraulic fracturing ("fracking") waste, natural gas waste, or oil waste in Connecticut. It also bans the sale, offer, barter, manufacture, distribution, and use of anti-icing, de-icing, pre-wetting, or dust suppression products derived from or containing such waste. The law preempts related municipal ordinances (PA 19-112, effective upon passage).

Grants, Aid, and Municipal Finance

Boards of Education Expense and Revenue Disclosure

The FY 20-21 budget act requires boards of education to post current and projected expenses and revenues online each quarter and submit this information to the municipal legislative body or, where the legislative body is a town meeting, to the board of selectmen (<u>PA 19-117</u>, § 290, effective July 1, 2019).

Body-Worn Electronic Recording Equipment Reimbursement

Under a new law, municipalities that purchased body-worn recording equipment during FYs 17 and 18, but paid for the equipment in the first two months of FY 19 (i.e., by August 31, 2018), may now qualify to be reimbursed up to 100%, rather than 50%. As under existing law, the reimbursement must be made within available resources (<u>PA 19-11</u>, effective July 1, 2019).

Bridgeport Pension Obligation Bonds

The legislature enacted a new law authorizing Bridgeport to issue up to \$125 million in pension deficit funding bonds, plus the issuance costs, to help fund the city's pension fund. The bonds must mature no more than 25 years after issuance and the first principal payment must be made not later than 10 years after issuance (<u>PA 19-124</u>, § 2, effective upon passage).

Funding for Promoting Shared Services

The FY 20-21 budget act reallocates municipal reimbursement and revenue account funds provided to the Office of Policy and Management (OPM). It reduces the amount allocated for the Nutmeg Network by \$70,000 and the universal chart of accounts by \$180,000 and instead requires OPM to use \$250,000 to promote and facilitate the implementation of the most efficient, high-quality, cost-effective, and responsive service delivery (PA 19-117, § 229, effective July 1, 2019).

Grant to Wallingford for Municipal Water Service Extension

Under a new law, the DEEP commissioner must pay a \$176,332 grant to Wallingford (funded by an existing DEEP bond authorization) to reimburse the town for extending municipal water services to five homes on South Broad Street. DEEP awarded the grant in November 2015, but it expired on December 31, 2016, before construction ended (<u>PA 19-200</u>, § 2, effective upon passage).

Local Health Payment Reductions

A new law requires the Department of Public Health (DPH) to reduce payments to municipal and district health departments on a proportional basis if the payments in a fiscal year exceed the amount appropriated for that year (<u>PA 19-117</u>, §§ 76 & 77, effective July 1, 2019).

Measuring Municipal Fiscal Capacity

Municipal fiscal capacity refers to a municipality's ability to generate revenue in order to deliver public services and meet its residents' needs. A new law requires the OPM secretary to study two separate calculations for measuring municipal fiscal capacity in order to make a recommendation to the legislature. More specifically, the secretary must compare the calculations derived from the statutory public investment communities index with the representative tax system methodology used by the New England Public Policy Center in its May 2015 research report (15-1). By February 5, 2020, the secretary must report to the legislature with (1) a recommendation on which calculations are more useful for accurately measuring a municipality's fiscal capacity and (2) an outline of each methodology's respective merits (PA 19-117, § 367, effective upon passage).

Moderate Rental Housing Payment Waivers

Existing law (1) requires state-financed housing authorities for moderate rental housing projects to make payments to the municipality in which the project is located instead of paying property taxes, special benefit assessments, and sewer system use charges and (2) authorizes the Department of Housing (DOH) to make these payments on a housing authority's behalf under the Moderate Rental Payment in Lieu of Taxes (PILOT) Program (<u>CGS § 8-216</u>).

Under prior law, municipalities to which DOH made a Moderate Rental PILOT Program payment on a housing authority's behalf in FY 15 had to waive the above payments in FYs 16 to 19. For these same municipalities, a new law instead requires the waiver in any year when a Moderate Rental PILOT Program payment is not made on an authority's behalf (<u>PA 19-117</u>, § 69, effective October 1, 2019).

Motor Vehicle Property Tax Grants

By law, municipalities that impose a mill rate on real and personal property, other than motor vehicles, that is greater than 45 mills (i.e., the capped motor vehicle mill rate) are eligible for state grants that reimburse them for a portion of the revenue loss attributed to motor vehicle mill rate cap. Under a new law, the FY 20 grant is equal to the difference between the (1) amount of property taxes a municipality, and any tax district therein, levied on motor vehicles for FY 18 and (2) the levy amount for that year at the same mill rate the municipality imposed on real and personal property other than motor vehicles. The FY 21 grant is calculated using the same formula, but based on FY 19 data.

Under prior law, the grant amount for FY 20 and thereafter equaled the difference between the (1) amount of property taxes a municipality and, any tax district therein, levied on motor vehicles for FY 18 and (2) the levy amount for that year at the capped rate (45 mills).

The new law also requires three fire districts in West Haven to receive specified grant amounts in FY 20 in addition to any other required motor vehicle property tax grants (referred to as municipal transition grants under the new law) (<u>PA 19-117</u>, § 70, effective July 1, 2019).

Municipal Finance Advisory Commission (MFAC) Referrals

By law, municipalities and entities subject to the Municipal Auditing Act must annually submit an audit to OPM. If upon reviewing these audits, the OPM secretary finds that they are incorrectly prepared or there is evidence of unsound or irregular financial practices, she must refer the entity to MFAC. A new law expands the conditions under which OPM must refer such entities to MFAC (PA 19-193, § 1, effective July 1, 2019).

Unexpended Education Funds Account

The FY 20-21 budget act allows towns, beginning in FY 20, to increase the maximum amount of unspent education funds that they may deposit in a nonlapsing account from 1% to 2% of the town's budgeted appropriation for education for the prior fiscal year. The deposited funds must be spent upon the board of education's authorization and only for educational purposes. Similar to

prior law, this deposit may be made by a town board of finance, board of selectmen, or other appropriating authority for a school district (<u>PA 19-117</u>, § 285, effective July 1, 2019).

Regionalism

Advisory Commission on Intergovernmental Relations (ACIR)

By law, ACIR studies the relationship between state and local governments and recommends solutions to issues it identifies. A new law adds a representative from the Connecticut AFL-CIO to the commission. It also makes minor changes to ACIR's reporting requirements and associated deadlines (<u>PA 19-193</u>, §§ 2 & 3, effective July 1, 2019).

Interlocal Agreements

Existing law gives municipalities (including special taxing districts and municipal districts) blanket authority to enter into interlocal agreements to perform jointly any function that any statute, special act, charter, or home rule ordinance allows them to perform individually. Under a new law, municipalities may enter such agreements regardless of conflicting statutory, special act, charter, home rule ordinance, or local law provisions (<u>PA 19-193</u>, § 4, effective July 1, 2019).

Regional Animal Shelters

A new law allows more municipalities to open regional animal shelters (i.e., dog pound facilities). Under prior law, any two or more contiguous towns, each with a population of less than 25,000, could agree to be served by a regional animal control officer and facility. The new law (1) removes the contiguity requirement and (2) increases the towns' population threshold to those with a population of less than 50,000 (PA 19-8, effective October 1, 2019).

Regional Council of Governments (COG) Funding

New legislation (1) expands the purposes for which COGs can purchase property to include program functions, in addition to administrative office space and (2) allows COGs to borrow funds to purchase such property (<u>PA 19-193</u>, § 6, effective July 1, 2019).

Regionalization Task Force

A new law establishes a task force to study ways to encourage greater and improved collaboration among the state, municipalities, and regional bodies, such as regional councils of governments (COGs) and regional educational service centers (RESCs). It also establishes a regionalization subaccount, in the General Fund's regional planning incentive account, to fund the task forces' recommendations. Any initiative that the task force recommends is optional for municipalities. Among other things, the task force must examine functions currently performed by (1) municipalities that OPM might perform more efficiently or (2) municipalities or the state that regional bodies might perform more efficiently. By February 5, 2020, the task force must report its findings to the legislature, including recommendations for legislation. Beginning July 1, 2020, OPM must begin offering regional functions, as recommended by the task force. OPM may establish fees to charge participating municipalities. Similarly, any body offering regional functions may establish fees (PA 19-117, §§ 365 & 366, effective upon passage).

Police and Public Safety

State Reimbursement for Municipal Ambulance Services for Prison Inmates

By law, the Department of Correction (DOC) may transfer an inmate in a correctional facility who requires hospitalization for medical care to a hospital with facilities for such care. A new law requires the DOC commissioner, before October 1, 2019, to revise the department's payment methodology for ambulance services a municipality provides to an inmate who requires transfer to a hospital for medical care. The revision must ensure that if the inmate does not have private health insurance, DOC will reimburse the municipality for the ambulance services at the same rate it is contractually obligated to pay non-municipal ambulance service providers (<u>PA 19-9</u>, effective July 1, 2019).

Boards of Police Commissioners

A new law allows a town to adopt, by ordinance, provisions of a special act establishing its board of police commissioners and any amendments to that act (<u>PA 19-104</u>, effective October 1, 2019).

Civil Immigration Detainer Response, Reporting, and Training

A civil immigration detainer is a request from a federal immigration authority to a local or state law enforcement agency requesting the agency take certain actions, such as facilitating the arrest of an individual suspected of violating a federal immigration law. A new law, among other things:

- 1. expands the definition of a civil immigration detainer and generally prohibits law enforcement officers (including local law enforcement officers), school police or security department employees, and certain other individuals from arresting or detaining someone pursuant to such a detainer unless it is accompanied by a judicial warrant;
- 2. establishes new procedures for responding to such detainers (e.g., a local law enforcement officer must give a copy of the detainer to the affected individual); and

3. limits the disclosure of certain confidential information to a federal immigration authority.

The new law also requires (1) municipalities to report specified information every six months to OPM if their law enforcement agency provided Immigration and Customs Enforcement (ICE) access (e.g., authorized a federal immigration authority to interview an individual in their custody) and (2) OPM to ensure that the law enforcement agencies and school police or security departments receive appropriate training (PA 19-20, as amended by PA 19-23, effective October 1, 2019).

Resident State Trooper Fringe Funding

The FY 20-21 budget act shifts a portion of resident state trooper overtime costs from municipalities to the state. Under prior law, until FY 20, a town participating in the resident state trooper program had to pay, among other things, 100% of the overtime costs and the portion of fringe benefits directly associated with such costs. Beginning in FY 20 and each fiscal year thereafter, the budget act requires the comptroller to pay 50% of the portion of the state employees' retirement system fringe recovery rate attributable to the unfunded liability of the system from the resources appropriated for State Comptroller-State Employees' Retirement System Unfunded Liability (PA 19-117, § 81, effective July 1, 2019).

Transfer of Law Enforcement Agency Records Between Agencies

A new law exempts from liability a law enforcement agency that discloses certain criminal investigation records to another law enforcement agency that is authorized to receive them, if the receiving agency further discloses the records. The act applies to records that law enforcement agencies compile in connection with the detection or investigation of a crime, and that the Freedom of Information Act exempts from mandatory disclosure when disclosure is not in the public interest because it would reveal certain information (PA 19-30, effective July 1, 2019).

Workers' Compensation for PTSD

A new law allows police officers and firefighters to receive certain workers' compensation benefits for post-traumatic stress disorder (PTSD) caused by certain "qualifying events," such as seeing, while in the line of duty, a deceased minor, someone's death, or a traumatic physical injury that results in the loss of a vital body part.

More specifically, the new law:

1. establishes the eligibility requirements for these officers and firefighters to receive PTSD benefits;

- 2. limits the benefits' duration to 52 weeks and availability to within four years after the qualifying event;
- 3. offsets an officer's or firefighter's PTSD benefits by the amount of other benefits he or she receives (e.g., from Social Security), if the total benefits exceed the officer's or firefighter's average weekly wage; and
- 4. establishes a process for employers to contest PTSD claims (<u>PA 19-17</u>, §§ 1-3 & 11-12, effective July 1, 2019).

Property Tax

Circuit Breaker Program

The state's Circuit Breaker Program provides tax relief to qualifying elderly and disabled real property owners by entitling them to a property tax reduction, which varies based on the individual's income. Under a new law, tax relief under this program also extends to owners of real property that is held in trust for the owner. Previously, under a 2018 OPM policy change, in order for an individual whose home was held in trust to participate in the program, the trust had to be an irrevocable trust (PA 19-66, effective October 1, 2019, and applicable to assessment years beginning on and after that date).

Disabled Veterans and Service Member Property Tax Exemption

A new law increases the base property tax exemption for certain disabled service members and veterans by \$500. By doing so, it also increases the additional income-based exemption for such service members and veterans, which is calculated using the base exemption, by \$250 or \$1,000 depending on income (<u>PA 19-171</u>, effective October 1, 2019, and applicable to assessment years beginning on or after that date).

Filing Deadlines for Certain Property Tax Exemptions

A new law allows taxpayers in Bloomfield, Fairfield, New Haven, New London, and Windsor to claim various property tax exemptions on specified grand lists even though they missed the mandatory filing deadlines (<u>PA 19-200</u>, §§ 1 & 5-8, effective upon passage, except the provision concerning New London is effective July 1, 2019).

Filing Extensions for Personal Property Tax Declarations

By law, owners of taxable personal property (e.g., commercial furniture, fixtures, and equipment) must file an annual personal property declaration with municipal assessors for property tax purposes. The declarations are due by November 1, but assessors may grant filing extensions of up to 45 days for good cause.

A new law explicitly authorizes any person required to file such a declaration to request an extension. Under the law, they must do so in writing on or before November 1, including electronically if the municipality allows taxpayers to submit their declarations in that manner (PA <u>19-200,</u> § 3, effective July 1, 2019).

Abatement Increase for Certain First Responders

A new law increases the maximum property tax abatement municipalities may, by ordinance, provide to certain active and retired volunteer emergency personnel. The maximum increases from \$1,000 to \$1,500 for FYs 20 and 21, and from \$1,500 to \$2,000 for FY 22 and thereafter. By law, municipalities may provide this abatement to:

- 1. local emergency management directors;
- 2. firefighters and fire police officers;
- 3. emergency medical technicians and paramedics;
- 4. civil preparedness staff;
- 5. active members of a volunteer canine search and rescue team or volunteer underwater search and rescue team;
- 6. ambulance drivers in the municipality; and
- retired volunteer firefighters, police officers, or emergency medical technicians who served in those roles for at least 25 years of service in those roles (<u>PA 19-36</u>, effective July 1, 2019).

Fixed Assessments for Qualifying Power Plants

By law, any municipality may treat a power plant that completes construction after July 1, 1998, as though it were located in an enterprise zone and fix the full amount of either the property tax or assessment on the plant's real and personal property.

A new law allows municipalities to extend such tax benefits to existing power plants that completed construction before July 1, 1998, if a new plant is built on the same site and construction is completed after July 1, 2019. The taxes or assessments set by the municipality must approximate the combined plant's projected tax liability based on a reasonable estimate of its fair market value that the municipality determined using its best efforts (PA 19-81, effective from passage, and applicable to assessment years beginning on and after October 1, 2018).

Out-of-State Registration Task Force

This year, the legislature established a 12-member task force to study compliance with the state's motor vehicle registration laws. The task force must also (1) develop recommendations to prevent Connecticut residents from registering motor vehicles out-of-state that should, by law, be registered in a Connecticut municipality and (2) submit its findings and recommendations to the Transportation Committee by January 1, 2020 (PA 19-119, § 14, effective upon passage).

Exemption for Wartime Service

A new law extends certain state war service benefits to veterans who served less than 90 days in a war, but were separated from service because of an injury incurred or aggravated in the line of duty, even if the injury was not a service-connected disability rated by the U.S. Department of Veterans Affairs. These war service benefits include, among other things, state-mandated property tax exemptions of at least \$1,500 for the eligible veteran or his or her surviving spouse (PA 19-33, effective October 1, 2019).

Miscellaneous

Model Food Code Implementation

A new law extends by one year, from January 1, 2019, to January 1, 2020, the date by which DPH must adopt the federal Food and Drug Administration's Model Food Code as the state's code for regulating food establishments, which by law municipalities must enforce (PA 19-118, § 23, effective July 1, 2019).

Motor Vehicle Parking Services

Under a new law, municipalities may be required to collect and remit sales and use tax for certain motor vehicle parking services. Specifically, the new law extends the sales and use tax to the following motor vehicle parking services:

- motor vehicle parking in lots with fewer than 30 spaces, except for employer-operated lots

 (a) owned or leased for a minimum of 10 years and
 (b) operated for the exclusive use of
 employees (lots with 30 or more spaces are already subject to tax under current law, subject
 to the same exclusion for employer-operated lots);
- 2. metered parking;
- 3. parking in seasonal lots operated by the state or political subdivisions and municipally owned lots; and

 parking in municipally operated, or state-owned and operated, railroad parking facilities in municipalities located in a designated severe nonattainment area for ozone (<u>PA 19-117</u>, § 325, effective January 1, 2020, and applicable to sales occurring on or after that date).

Municipal Veterans Representative

Under prior law, any municipality that does not have a local veterans' advisory committee and does not provide funding for a veterans' service officer had to designate an employee to serve as a veterans' service contact person. A new law (1) substitutes the term "municipal veterans' representative" for the term "veterans' service contact person," (2) allows volunteers to serve in this position, and (3) subjects them to all the existing training requirements.

Under the new law, a volunteer designated as the municipal veterans' representative must:

- 1. be a resident of the municipality;
- 2. be a veteran or have practical experience handling veterans' issues;
- 3. be available to veterans in person, by phone, or by email for a minimum number of hours per week as the municipality may establish; and
- 4. file a monthly performance report with the municipality that includes the names of the veterans assisted, services or referrals provided, and any other information the municipality requires (<u>PA 19-148</u>, effective October 1, 2019).

Public Housing Provider Municipal Registry

Under a new law, municipalities may require additional types of housing providers to file their residential addresses with the municipality. Existing law gives municipalities the option of requiring nonresident rental property owners (landlords) or their agents to file such information. A new law allows them to also require project-based housing providers (PBHPs) to do so. (PBHPs are property owners who contract with the U.S. Department of Housing and Urban Development to rent some or all of the units in their housing development to low income individuals and families.)

By law, violations of the filing requirements are an infraction and municipalities may establish a civil penalty for them by ordinance. The new law also increases the maximum penalty for a first violation from \$250 to \$500. As under existing law, subsequent violations are subject to a maximum penalty of \$1,000 (PA 19-168, effective October 1, 2019).

Pyrrhotite Disclosure by Municipalities

New legislation requires municipalities impacted by crumbling foundations to disclose certain information to prospective purchasers when selling residential properties. Under the new law,

municipalities that the Capitol Region Council of Governments determines are affected, or potentially affected, by crumbling foundations must disclose to prospective purchasers any information they have about:

- 1. the presence of pyrrhotite in such properties' foundations,
- 2. damage and deterioration in the foundations, and
- 3. repairs or remediation made to the foundations.

They must make the disclosures on a residential foundation condition report form prescribed by the consumer protection commissioner. (The act's disclosure requirements also apply to sellers transferring residential properties they acquired through a foreclosure that are located in the affected municipalities.)

As is the case for residential property disclosure reports under existing law, the act requires municipalities to provide the residential foundation condition report or credit the purchaser \$500 at closing. However, under the act, failing to provide the report does not excuse a municipality (or any other seller) from disclosing to a prospective purchaser any significant defects in a residential property. The act also creates a private right of action for purchasers to bring a civil suit to recover actual damages from sellers who fail to do so (PA 19-192, §§ 5 & 6, effective October 1, 2019, except the private right of action for significant defects is effective January 1, 2020).

School Board Consultation for Certain Purposes

A new law specifies that for municipalities where the legislative body is a town meeting or representative town meeting, the school board must consult with the board of selectmen, rather than the town's legislative body, for specified purposes, such as jointly purchasing insurance (<u>PA</u> <u>19-32</u>, §§ 4-6, effective October 1, 2019).

Set-Aside Program

A new law increases the number of businesses and nonprofits eligible to bid on state-funded municipal public works contracts by increasing the annual gross revenue limit for eligible small contractors from \$15 million to \$20 million.

By law, contractors awarded state-funded municipal public works contracts valued at more than \$50,000 must annually set-aside or reserve (1) 25% of their contracts for exclusive bidding by state certified "small contractors," which include nonprofit organizations, and (2) 25% of that amount (6.25% of the total) for exclusive bidding by small contractors that are certified minority business enterprises (i.e., those owned or operated by women, people with disabilities, and minority group

members). Similar set-aside requirements apply to state agencies and contractors awarded state quasi-public agency contracts (<u>PA 19-117, §</u> 348, effective October 1, 2019).