



*House Bill No. 5222*

*Public Act No. 07-251*

**AN ACT CONCERNING THE SALE, LEASE OR TRANSFER OF MUNICIPAL PROPERTY AND LIENS FILED UNDER THE MUNICIPAL PROPERTY TAX RELIEF PROGRAM FOR SENIORS.**

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

Section 1. Section 1 of public act 07-218 is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(a) The legislative body of a municipality, or in any municipality where the legislative body is a town meeting or representative town meeting, the board of selectmen, shall conduct a public hearing on the sale, lease or transfer of real property owned by the municipality prior to final approval of such sale, lease or transfer. Notice of the hearing shall be published in a newspaper having a general circulation in such municipality where the real property that is the subject of the hearing is located at least twice, at intervals of not less than two days, the first not more than fifteen days or less than ten days and the last not less than two days before the date set for the hearing. The municipality shall also post a sign conspicuously on the real property land that is the subject of the public hearing.

(b) The provisions of subsection (a) of this section shall not apply to (1) sales of real property, except parkland, open space or playgrounds,

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if the fair market value of such property does not exceed ten thousand dollars, [and] (2) renewals of leases where there is no change in use of the real property, and (3) the sales, lease or transfer of real property acquired by the municipality by foreclosure.

Sec. 2. Subsection (f) of section 12-129n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(f) Any municipality providing property tax relief under this section may establish a lien on such property in the amount of the relief granted, provided if the total amount of such property tax relief with respect to any such taxpayer, when combined with any such tax relief for which such taxpayer may be eligible in accordance with sections 12-129b to 12-129d, inclusive, or 12-170aa, exceeds in the aggregate seventy-five per cent of the property tax for which such taxpayer would be liable but for the benefits under this section and any of the sections mentioned above in this subsection, such municipality shall be required to establish a lien on such property in the amount [of the total tax relief granted] that such tax relief exceeds seventy-five per cent of such property tax liability, plus interest applicable to the total of such unpaid taxes at a rate to be determined by such municipality. Any such lien shall have a priority in the settlement of such person's estate.

Approved July 11, 2007

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*Select Committee on Housing*

*Planning and Development Committee*

*Judiciary Committee*

*Banks Committee*

**AN ACT CONCERNING THE SALE, LEASE OR TRANSFER OF MUNICIPAL PROPERTY AND LIENS FILED UNDER THE MUNICIPAL PROPERTY TAX RELIEF PROGRAM FOR SENIORS**

**SUMMARY:** This act broadens the exceptions to a public hearing requirement for towns, established in PA 07-218, before giving final approval to the sale, lease, or transfer of town land or buildings. It excepts the sale, lease, or transfer of real property the municipality acquires by foreclosure from the requirement. PA 07-218 already excepts the following situations from the hearing requirement: (1) sales of property, other than parkland, open space, or a playground, whose fair market value is \$10,000 or less and (2) lease renewals when the property's use does not change.

This act also reduces the lien amount a town can place on a property receiving local-option property tax relief for property owners over age 65 or permanently disabled. By law, the town providing the property tax relief may file a lien on the property if the owner is receiving (1) the optional property tax relief, (2) tax relief from two other programs for the elderly and disabled, and (3) the combined relief exceeds 75% of the owner's property tax liability. Prior law required the lien to be equal to the total amount of tax relief. Under the act, the lien must be equal to the amount of the tax relief that exceeds 75% of the property tax liability.

EFFECTIVE DATE: October 1, 2007

BACKGROUND

*PA 07-218*

This act requires towns to hold a public hearing before they give final approval to the sale, lease, or transfer of town land or buildings. Notice of the hearing must be published twice, at least two days apart, in a newspaper with general circulation in the town. The first notice must be published between 10 and 15 days before the hearing; the second must be at least two days before the hearing. The town also must conspicuously post a sign on the property.

OLR Tracking: JM: SNE: PF: RO

Sec. 7-163e. Public hearing on the sale, lease or transfer of real property owned by a municipality. (a) The legislative body of a municipality, or in any municipality where the legislative body is a town meeting or representative town meeting, the board of selectmen, shall conduct a public hearing on the sale, lease or transfer of real property owned by the municipality prior to final approval of such sale, lease or transfer. Notice of the hearing shall be published in a newspaper having a general circulation in such municipality where the real property that is the subject of the hearing is located at least twice, at intervals of not less than two days, the first not more than fifteen days or less than ten days and the last not less than two days before the date set for the hearing. The municipality shall also post a sign conspicuously on the real property that is the subject of the public hearing.

(b) The provisions of subsection (a) of this section shall not apply to (1) sales of real property, except parkland, open space or playgrounds, if the fair market value of such property does not exceed ten thousand dollars, (2) renewals of leases where there is no change in use of the real property, and (3) the sale, lease or transfer of real property acquired by the municipality by foreclosure.

(P.A. 07-218, S. 1; 07-251, S. 1; P.A. 10-32, S. 16.)

History: P.A. 07-251 added Subsec. (b)(3) re exception for property acquired by foreclosure; P.A. 10-32 made technical changes, effective May 10, 2010.

**Sec. 7-163e. Public hearing on the sale, lease or transfer of real property owned by a municipality.**

(a) The legislative body of a municipality, or in any municipality where the legislative body is a ~~town meeting or~~ representative town meeting, the board of selectmen, shall conduct a public hearing on the sale, lease or transfer of real property owned by the municipality prior to final approval of such sale, lease or transfer. Notice of the hearing shall be published in a newspaper having a general circulation in such municipality where the real property that is the subject of the hearing is located at least twice, at intervals of not less than two days, the first not more than fifteen days or less than ten days and the last not less than two days before the date set for the hearing. The municipality shall also post a sign conspicuously on the real property that is the subject of the public hearing. This section shall not apply to any municipality where the legislative body of the municipality is a town meeting.

(b) The provisions of subsection (a) of this section shall not apply to (1) sales of real property, except parkland, open space or playgrounds, if the fair market value of such property does not exceed ten thousand dollars, (2) renewals of leases where there is no change in use of the real property, ~~and~~ (3) the sale, lease or transfer of real property acquired by the municipality by judicial or nonjudicial foreclosure, or a deed in lieu of foreclosure, and (4) transfers of property by the municipality for affordable housing purposes.

(c) Failure to comply with the requirements of this section shall not impair the marketability of title to the premises conveyed by the municipality.