PA 25-73—sHB 6957
Planning and Development Committee

AN ACT ALLOWING A TOWN TO DESIGNATE ITSELF A CITY, ESTABLISHING A TASK FORCE TO STUDY THE REGULATION OF CORPORATE HOUSING ACQUISITIONS AND CONCERNING TRAINING FOR INLAND WETLANDS AGENCIES, CERTIFICATES OF CORRECTION FOR CERTAIN PROPERTY ASSESSED IN ERROR, THE SUBMISSION OF CERTAIN STUDIES AND EVALUATIONS, INCLUSIONARY ZONING, SOLAR INSTALLATIONS IN CERTAIN COMMON INTEREST OWNERSHIP COMMUNITIES, THE CAPITAL REGION AND THE MILLSTONE RIDGE TAX DISTRICT

TABLE OF CONTENTS:

§§ 10 & 11 — SOLAR PANELS ON CONDOMINIUMS AND PLANNED COMMUNITIES

Prohibits condominiums and planned communities from unreasonably restricting solar panels on single-family detached units and establishes an application and approval process for them; requires unit owners whose panels are approved to agree to certain costs and conditions; generally allows associations to opt out of these provisions if they do so by January 1, 2028

§ 12 — CAPITAL REGION DEVELOPMENT AUTHORITY (CRDA) CAPITAL REGION

Narrows the region in which CRDA may operate to exclude Newington and West Hartford, in turn allowing these towns to become Connecticut Municipal Development Authority member municipalities

§ 13 — MILLSTONE RIDGE TAX DISTRICT

Allows a special taxing district in New Milford to apportion its costs equally among district property owners

SUMMARY: This act makes changes to laws affecting municipalities, as described in the section-by-section analysis below.
EFFECTIVE DATE: Various, see below.

§ 1 — TOWN DESIGNATING ITSELF A CITY IN ITS CHARTER

Specifies a method for a town to designate itself a city

The act specifies that a town may opt to designate itself a city in its home rule charter. Under the act, if a town takes this action, it is deemed a consolidated town and city under state law.

Existing law has no statutory rules dictating when a municipality is a "town" or a "city."
EFFECTIVE DATE: October 1, 2025

§ 2 — INLAND WETLANDS AGENCY TRAINING

Expands who must take DEEP's inland wetlands agency training program to include all inland wetlands agency members and related municipal employees

The act requires all inland wetlands agency members and municipal employees who staff the agency to complete the Department of Energy and Environmental Protection's (DEEP) inland wetlands agency comprehensive training program. Under prior law, just one member or staff person from each agency was required to complete the training.

The act requires these members and employees serving an agency on January 1, 2026, to complete their initial training within one year from that date. Those joining after that date must complete the training within one year after their appointment, election, or hire. All members and covered employees must retrain every four years or once per term (for elected or appointed members), whichever is

less frequent.

Under the act, DEEP must make the training program available on its website for agency members and these employees. Prior law required it to provide the training program free to one person for each town and distribute informational videos and written materials to the agencies. Correspondingly, the act removes prior law's requirement that each agency annually hold a meeting to summarize the training information for its members.

Additionally, the act creates an annual reporting requirement for the agencies. Beginning by March 1, 2027, they must submit a statement to the municipality's legislative body or board of selectmen affirming that those who had to complete the training during the prior year did so. Under both existing law and the act, a member or employee's failure to complete the training does not invalidate the agency's actions.

EFFECTIVE DATE: October 1, 2025

§§ 3- 5 — CERTIFICATES OF CORRECTION FOR PROPERTY TAX ERRORS

Allows municipalities to extend, by one year, the time during which an assessor may issue certificates of correction to fix certain property tax assessment errors and makes a corresponding change to the deadline for taxpayers to claim a refund based on this correction

The act allows municipalities to extend, by one year, the time during which an assessor may issue certificates of correction to fix certain property tax assessment errors. By law, assessors may issue them when (1) a clerical omission or mistake was made (e.g., a mathematical error) or (2) the assessor determines tangible personal property was taxed that should not have been, even if this error was due to information the taxpayer provided (e.g., the taxpayer listed the property on his or her personal property declaration, but it belonged to someone else).

Under prior law, the assessor could correct these errors up to three years after the taxes were due for most property types. The act allows municipalities to extend this to four years by adopting an ordinance to do so. Unchanged by the act, corrections for motor vehicles that were taxed but should not have been are not subject to these time limits.

Under prior law, if a certificate of correction resulted in the municipality owing the taxpayer a refund, he or she generally had three years from the date the taxes were due to claim it. In municipalities that adopt an ordinance extending the certificate of correction period as described above, the act correspondingly increases this refund period to four years. Certificates of correction may also yield higher or new assessments (e.g., if property went untaxed) and can be issued even if the taxpayer did not request one.

EFFECTIVE DATE: July 1, 2025

§ 6 — LAND USE STUDIES AND EVALUATIONS

Requires certain disclosures on studies or evaluations submitted in connection with a pending local land use application

The act requires certain disclosures on studies or evaluations submitted in connection with a pending local land use application. It applies regardless of conflicting provisions in a special act, municipal charter, or home rule ordinance.

Specifically, the disclosure requirement applies to anyone submitting an environmental, health, traffic, or economic impact study or evaluation to a local legislative body; zoning or planning commission or combined commission; inland wetlands agency; or zoning board of appeals. The person submitting the study or evaluation must include a statement disclosing the following information about it:

1. its author or authors,
2. all costs associated with completing it and the name of the person or entity that paid them, and
3. any conflict of interest that may impact the author or author's ability to provide unbiased data or conclusions.

Under the act, when making decisions on land use applications for which a study or evaluation was submitted, the legislative body, commission, agency, or board must consider whether the information disclosed, or the failure to provide the disclosure, impacts the reliability of the study or evaluation.

EFFECTIVE DATE: October 1, 2025

§ 7 — TASK FORCE ON ACQUISITION OF RESIDENTIAL PROPERTY BY LARGE CORPORATE ENTITIES

Establishes a task force to study, among other things, how corporations buying residential property is impacting housing affordability and homeownership opportunities

The act creates a nine-member task force to study (1) the impact of large corporate entities' acquisition of residential real property (including the impact on housing affordability, rental prices, and homeownership opportunities) and (2) policies to limit the number of properties these entities acquire or otherwise regulate these acquisitions.

Under the act, the task force is comprised of the housing commissioner, or her designee, and eight members appointed by the legislative leaders (two each by the House speaker and Senate president pro tempore and one each by the House and Senate majority and minority leaders). The legislative appointees may be legislators. Appointing authorities must make their initial appointments by July 23, 2025, and fill any vacancy.

The House speaker and Senate president pro tempore must select the task force chairpersons from among its members. The chairpersons must schedule and hold the first meeting by August 22, 2025. The Housing Committee's administrative staff serves in that capacity for the task force.

The act requires the task force to report its findings and recommendations to the Housing and Planning and Development committees by January 1, 2026. The task force terminates when it submits the report or on January 1, 2026, whichever is later.

EFFECTIVE DATE: Upon passage

§ 8 — MUNICIPAL HOUSING TRUST FUNDS

Expands the purposes for which municipalities may use their housing trust funds

Existing law allows municipalities to impose requirements on people developing land in order to promote affordable housing opportunities, including requiring them to make payments into a housing trust fund or offering the housing trust fund payments as an alternative to other requirements. Under existing law, the funds may be used to build, rehabilitate, or repair affordable housing. The act additionally allows municipalities to use the funds to (1) acquire existing housing or real property for affordable housing purposes (but not by eminent domain) and (2) incentivize deed restrictions that preserve real property for affordable housing purposes.

EFFECTIVE DATE: October 1, 2025

§ 9 — COMMON INTEREST COMMUNITY ASSESSMENTS

Requires common interest communities to assess a unit owner for certain changes he or she makes that increase common expenses

The act requires common interest communities to assess a unit owner for any increase in common expenses (e.g., maintenance, repair, or insurance costs) that result from the owner's addition, alteration, or improvement. (Common interest communities include condominiums, cooperatives, and planned communities.)

EFFECTIVE DATE: October 1, 2025

§§ 10 & 11 — SOLAR PANELS ON CONDOMINIUMS AND PLANNED COMMUNITIES

Prohibits condominiums and planned communities from unreasonably restricting solar panels on single-family detached units and establishes an application and approval process for them; requires unit owners whose panels are approved to agree to certain costs and conditions; generally allows associations to opt out of these provisions if they do so by January 1, 2028

The act prohibits enforcing any provisions in a condominium or planned community declaration or bylaws that prohibit or unreasonably restrict solar generating systems (i.e. solar panels) on the roofs of single-family detached units or that otherwise conflict with the act's solar panel requirements, beginning January 1, 2026. It also establishes (1) a solar panel approval process for unit owners and these associations to follow; (2) terms to which the unit owner must agree (e.g., to assume certain costs and indemnify the association); and (3) a period during which associations may opt out of the act's solar panel-related requirements. In doing so, the act repeals a prior, narrower provision that restricted planned community associations (but not condominiums or cooperatives) from barring solar panels on units that do not share a roof.

The act additionally authorizes associations to install solar panels on any common elements for all unit owners' use and develop rules for their use. It also makes minor and conforming changes.

EFFECTIVE DATE: January 1, 2026, except the repeal of the narrower provision is effective October 1, 2025.

Approval Process

The act requires condominium or planned community unit owners to get their association's approval to install solar panels on single-family detached units. The unit owner must apply with the association's executive board and do so as directed by the board. Upon receiving the unit owner's application, the board must acknowledge receipt in writing within 30 days and issue a written decision or request for additional information within 60 days. If the board asks the owner to give additional information about the proposal, it has up to 30 days after receiving the information to deny the application. The application is deemed approved if the board does not deny it in writing within these timeframes.

The board must process these applications in the same way applications for additions, alterations, or improvements are processed under the association's bylaws or declaration. And it may not unreasonably withhold approval if the unit owner complies with the act's requirements.

Agreement Terms and Owner Responsibilities

Under the act, if the application is approved or deemed approved, the unit owner and association must enter a written agreement. The agreement may be recorded in the land records of the town or towns in which the association is located. The agreement must require the unit owner to:

1. comply with the declaration or bylaws regarding additions, alterations, or improvements as applicable;
2. hire a registered and insured licensed contractor to install the solar panels who must, within 14 days after the unit owner and association execute the agreement, (a) provide a certificate of insurance for at least $1 million of liability coverage for the association, its manager, and the unit owner; (b) provide proof of any legally required workers' compensation insurance; and (c) give the association a mechanic's lien waiver in its favor;
3. pay any installation costs (e.g., increased master policy premiums, the association's attorney's fees, fees for engineers and other professionals, and fees for permits and zoning compliance requirements);
4. indemnify other unit owners and the association, its executive board, officers, directors, and managers for any damage, loss, or financial obligation the solar panels cause; and
5. assume full responsibility, including sole financial responsibility, for maintaining, repairing, and replacing the unit's roof.

The act makes the unit owner, or any successive owner who assumed the unit's title and the owner's duties under the act, responsible for certain costs, including costs to:

1. repair, maintain, or replace the solar panels;
2. repair damage to the association's common elements or units due to installing, using, maintaining, repairing, removing, or replacing the panels;
3. repair the roof after the panels are removed; and
4. cover common expenses for losses due to the solar panels that are uninsured

under the association's master policy.

Under the act, the association may also assess the unit owner for any uninsured portion of a loss (including deductibles) it incurs due to the panels. The association may do so regardless of whether it submits an insurance claim.

Regulatory Requirements. The act explicitly requires the solar panels to comply with all applicable state, federal, and local health and safety standards and requirements.

Attorney's Fees. Under the act, if the association brings a legal action to enforce compliance with the written agreement or any of the act's related requirements, the prevailing party must be awarded reasonable attorney's fees.

Successive Owners and Buyers

The act requires the unit owner, or any successive owner, to disclose to any prospective buyers the (1) existence of the solar panels and any related agreements with the association; (2) unit owner's responsibilities associated with the solar panels; and (3) requirement that the buyer will own the solar panels or take over any agreement the unit owner has with the panel owner (e.g., a lease agreement), unless they are removed before the sale.

The association may require the unit owner to remove the panels before the sale if the buyer does not agree to (1) take over ownership of the solar panels or any leasing or other agreement for them; (2) be bound by the indemnification agreement; and (3) be responsible for the full costs of maintaining, repairing, and replacing the unit's roof.

Opt-out

Associations formed by January 1, 2026, may opt out of the act's solar panel protections and requirements if they do so by January 1, 2028. To opt out, at least 75% of the association's board of directors must vote to do so. Within 30 days after the favorable vote to opt out, the association must record notice of it in the land records of the town or towns in which the association owns real property.

§ 12 — CAPITAL REGION DEVELOPMENT AUTHORITY (CRDA) CAPITAL REGION

Narrows the region in which CRDA may operate to exclude Newington and West Hartford, in turn allowing these towns to become Connecticut Municipal Development Authority member municipalities

CRDA plays a role in development projects primarily in Hartford, but also in the "capital region." Under prior law, the "capital region" encompassed seven municipalities that surround Hartford. The act excludes Newington and West Hartford from the capital region and in doing so, allows Newington and West Hartford to join the Connecticut Municipal Development Authority (CMDA) as member municipalities. Under prior law, municipalities in the CRDA capital region were not eligible to become member municipalities (see *Background — Related*

Act).

By law, CRDA's regional role is to assist capital region municipalities, upon their request, with housing, community, and economic development initiatives. CRDA is also generally responsible for stimulating new investment and economic development in the capital region.

EFFECTIVE DATE: July 1, 2025

Background — Related Act

PA 25-168, §§ 99-112, formally changes the Connecticut Municipal Redevelopment Authority's name to the Connecticut Municipal Development Authority. It also (1) allows any municipality other than Hartford and East Hartford to work with the authority and (2) makes it easier for municipalities to opt to work with the authority.

In 2019, the legislature created the authority as a quasi-public agency authorized to stimulate economic development and transit-oriented development by, among other things, developing property and managing facilities.

§ 13 — MILLSTONE RIDGE TAX DISTRICT

Allows a special taxing district in New Milford to apportion its costs equally among district property owners

Regardless of the statutory rules for levying a mill rate on property owners, the act allows the Millstone Ridge Tax District to equally apportion among lot owners district improvement maintenance costs and administrative costs associated with the district's management. (In practice, Millstone Ridge Tax District already apportions costs equally, instead of levying a mill rate.)

EFFECTIVE DATE: October 1, 2025, and applicable to assessment years beginning on or after that date.