



General Assembly

Amendment

February Session, 2024

LCO No. 4410



Offered by:

REP. KAVROS DEGRAW, 17th Dist.

To: Subst. House Bill No. 5272

File No. 440

Cal. No. 284

**"AN ACT CONCERNING THE EXPIRATION OF CERTAIN LAND
USE APPROVALS AND THE NEW HOME CONSTRUCTION
GUARANTY FUND."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Subsection (m) of section 8-3 of the 2024 supplement to the
4 general statutes is repealed and the following is substituted in lieu
5 thereof (*Effective July 1, 2024*):

6 (m) (1) Notwithstanding the provisions of this section, any site plan
7 approval made under this section prior to July 1, 2011, that has not
8 expired prior to July 12, 2021, except an approval made under
9 subsection (j) of this section, shall expire not less than fourteen years
10 after the date of such approval and the commission may grant one or
11 more extensions of time to complete all or part of the work in connection
12 with such site plan, provided no approval, including all extensions,
13 shall be valid for more than nineteen years from the date the site plan
14 was approved.

15 (2) Notwithstanding the provisions of this section, any site plan
16 approval made under this section on or after July 1, 2011, but prior to
17 June 10, 2021, that did not expire prior to March 10, 2020, except an
18 approval made under subsection (j) of this section, shall expire not less
19 than fourteen years after the date of such approval and the commission
20 may grant one or more extensions of time to complete all or part of the
21 work in connection with such site plan, provided no approval, including
22 all extensions, shall be valid for more than nineteen years from the date
23 the site plan was approved.

24 (3) For the purposes of this subdivision, "incomplete work" means
25 any physical improvement required by the site plan approval that is
26 incomplete due to a suspension in construction, and "business" means a
27 sole proprietorship, trust, corporation, limited liability company, union,
28 association, firm, partnership or other organization or group of persons.
29 The zoning enforcement officer may initiate an enforcement action
30 pursuant to section 8-12, as amended by this act, against a business
31 required to complete work in connection with a site plan approval if (A)
32 such approval has not expired, (B) work required pursuant to such
33 approval has been suspended before completion and the zoning
34 enforcement officer determines the business has no intent to resume
35 such work within a reasonable time period, and (C) (i) the zoning
36 enforcement officer determines that the incomplete work creates a
37 condition constituting a public health or safety hazard, or (ii) the zoning
38 enforcement officer has received and verified a complaint from one or
39 more property owners alleging damage to persons or property resulting
40 from the public health or safety hazard caused by such incomplete
41 work.

42 Sec. 2. Section 8-12 of the general statutes is repealed and the
43 following is substituted in lieu thereof (*Effective October 1, 2024*):

44 (a) If (1) any building or structure has been erected, constructed,
45 altered, converted or maintained, or any building, structure or land has
46 been used, in violation of any provision of this chapter or of any bylaw,
47 ordinance, rule or regulation made under authority conferred [hereby]

48 by this chapter, or (2) the suspension of work required in connection
49 with an approval granted by the municipality creates a condition
50 constituting a public health or safety hazard, or causes damage to
51 persons or property, as set forth in (A) subdivision (3) of subsection (m)
52 of section 8-3, as amended by this act, (B) subdivision (3) of subsection
53 (e) of section 8-26c, as amended by this act, or (C) subsection (d) of
54 section 22a-44, as amended by this act, any official having jurisdiction,
55 in addition to other remedies, may institute an action or proceeding to
56 prevent such unlawful erection, construction, alteration, conversion,
57 maintenance or use or to restrain, correct or abate such violation or
58 public health or safety hazard or to prevent the occupancy of such
59 building, structure or land or to prevent any illegal act, conduct,
60 business or use in or about such premises.

61 (b) [Such regulations] Any bylaw, ordinance, rule or regulation made
62 under authority conferred by this chapter shall be enforced by the officer
63 or official board or authority designated therein, who shall be
64 authorized to cause any building, structure, place or premises to be
65 inspected and examined and to order in writing the remedying of any
66 condition found to exist therein or thereon in violation of any provision
67 of the regulations made under the authority of the provisions of this
68 chapter or, when the violation involves grading of land, the removal of
69 earth or soil erosion and sediment control, to issue, in writing, a cease
70 and desist order to be effective immediately.

71 (c) The owner or agent of any building or premises where a violation
72 of any provision of such [regulations] bylaw, ordinance, rule or
73 regulation has been committed or exists, or the lessee or tenant of an
74 entire building or entire premises where such violation has been
75 committed or exists, or the owner, agent, lessee or tenant of any part of
76 the building or premises in which such violation has been committed or
77 exists, or the agent, architect, builder, contractor or any other person
78 who commits, takes part or assists in any such violation or who
79 maintains any building or premises in which any such violation exists,
80 shall be fined not less than ten dollars or more than one hundred dollars
81 for each day that such violation continues; but, if the offense is wilful,

82 the person convicted thereof shall be fined not less than one hundred
83 dollars or more than two hundred fifty dollars for each day that such
84 violation continues, or imprisoned not more than ten days for each day
85 such violation continues not to exceed a maximum of thirty days for
86 such violation, or both; and the Superior Court shall have jurisdiction of
87 all such offenses, subject to appeal as in other cases.

88 (d) Any person who, having been served with an order to discontinue
89 any such violation, fails to comply with such order within ten days after
90 such service, or having been served with a cease and desist order with
91 respect to a violation involving grading of land, removal of earth or soil
92 erosion and sediment control, fails to comply with such order
93 immediately, or continues to violate any provision of [the regulations]
94 any bylaw, ordinance, rule or regulation made under authority of the
95 provisions of this chapter specified in such order shall be subject to a
96 civil penalty not to exceed two thousand five hundred dollars, payable
97 to the treasurer of the municipality.

98 (e) In any criminal prosecution under this section, the defendant may
99 plead in abatement that such criminal prosecution is based on a zoning
100 ordinance or regulation which is the subject of a civil action wherein one
101 of the issues is the interpretation of such ordinance or regulations, and
102 that the issues in the civil action are such that the prosecution would fail
103 if the civil action results in an interpretation different from that claimed
104 by the state in the criminal prosecution. If the court renders judgment
105 for such municipality and finds that the violation was wilful, the court
106 shall allow such municipality its costs, together with reasonable
107 attorney's fees to be taxed by the court. The court before which such
108 prosecution is pending may order such prosecution abated if it finds
109 that the allegations of the plea are true.

110 Sec. 3. Section 8-12a of the general statutes is repealed and the
111 following is substituted in lieu thereof (*Effective October 1, 2024*):

112 (a) Any municipality may, by ordinance adopted by its legislative
113 body, establish penalties for violations of zoning regulations adopted

114 under section 8-2 or by special act, or for violations of (1) subdivision (3)
115 of subsection (m) of section 8-3, as amended by this act, (2) subdivision
116 (3) of subsection (e) of section 8-26c, as amended by this act, or (3)
117 subsection (d) of section 22a-44, as amended by this act. The ordinance
118 shall establish the types of violations for which a citation may be issued
119 and the amount of any fine to be imposed thereby and shall specify the
120 time period for uncontested payment of fines for any alleged violation
121 under any such regulation. No fine imposed under the authority of this
122 section may exceed one hundred fifty dollars for each day a violation
123 continues. Any fine imposed pursuant to this section shall be payable to
124 the treasurer of the municipality.

125 (b) The hearing procedure for any citation issued pursuant to this
126 section shall be in accordance with section 7-152c except that no zoning
127 enforcement officer, building inspector or employee of the municipal
128 body exercising zoning authority may be appointed to be a hearing
129 officer.

130 Sec. 4. Subsection (e) of section 8-26c of the general statutes is
131 repealed and the following is substituted in lieu thereof (*Effective October*
132 *1, 2024*):

133 (e) (1) Notwithstanding the provisions of this section, any
134 subdivision approval made under this section prior to July 1, 2011, that
135 has not expired prior to July 12, 2021, shall expire not less than fourteen
136 years after the date of such approval and the commission may grant one
137 or more extensions of time to complete all or part of the work in
138 connection with such subdivision, provided no subdivision approval,
139 including all extensions, shall be valid for more than nineteen years
140 from the date the subdivision was approved.

141 (2) Notwithstanding the provisions of this section, any subdivision
142 approval made under this section on or after July 1, 2011, but prior to
143 June 10, 2021, that did not expire prior to March 10, 2020, shall expire
144 not less than fourteen years after the date of such approval and the
145 commission may grant one or more extensions of time to complete all or

146 part of the work in connection with such subdivision, provided no
147 subdivision approval, including all extensions, shall be valid for more
148 than nineteen years from the date the subdivision was approved.

149 (3) For the purposes of this subdivision, "incomplete work" means
150 any physical improvement required by the subdivision plan approval
151 that is incomplete due to a suspension in construction, and "business"
152 means a sole proprietorship, trust, corporation, limited liability
153 company, union, association, firm, partnership or other organization or
154 group of persons. The zoning enforcement officer may initiate an
155 enforcement action pursuant to section 8-12, as amended by this act,
156 against a business required to complete work in connection with a
157 subdivision plan approval if (A) such approval has not expired, (B)
158 work required pursuant to such approval has been suspended before
159 completion and the zoning enforcement officer determines the business
160 has no intent to resume such work within a reasonable time period, and
161 (C) (i) the zoning enforcement officer determines that incomplete work
162 creates a condition constituting a public health or safety hazard, or (ii)
163 the zoning enforcement officer has received and verified a complaint
164 from one or more property owners alleging damage to persons or
165 property resulting from the public health or safety hazard caused by
166 such incomplete work.

167 Sec. 5. Section 22a-44 of the general statutes is repealed and the
168 following is substituted in lieu thereof (*Effective October 1, 2024*):

169 (a) If the inland wetlands agency or its duly authorized agent finds
170 that any person is conducting or maintaining any activity, facility or
171 condition [which] that is in violation of sections 22a-36 to 22a-45,
172 inclusive, or of the regulations of the inland wetlands agency, the
173 agency or its duly authorized agent may issue a written order, by
174 certified mail, to such person conducting such activity or maintaining
175 such facility or condition to cease immediately such activity or to correct
176 such facility or condition. [Within] Not more than ten days [of] after the
177 issuance of such order, the agency shall hold a hearing to provide the
178 person an opportunity to be heard and show cause why the order

179 should not remain in effect. The agency shall consider the facts
180 presented at the hearing and within ten days of the completion of the
181 hearing notify the person by certified mail that the original order
182 remains in effect, that a revised order is in effect, or that the order has
183 been withdrawn. The original order shall be effective upon issuance and
184 shall remain in effect until the agency affirms, revises or withdraws the
185 order. The issuance of an order pursuant to this section shall not delay
186 or bar an action pursuant to subsection (b) of this section. The agency
187 may file a certificate of such order in the office of the town clerk of the
188 town in which the land is located and the town clerk shall record such
189 certificate on the land records of such town. Such certificate shall be
190 released upon compliance with such order. The commissioner may
191 issue orders pursuant to sections 22a-6 to 22a-7, inclusive, concerning
192 an activity, facility or condition (1) [which] that is in violation of said
193 sections 22a-36 to 22a-45, inclusive, if the municipality in which such
194 activity, facility or condition is located has failed to enforce its inland
195 wetlands regulations, or (2) for which an approval is required under
196 sections 22a-36 to 22a-45, inclusive, and for which such approval has not
197 been obtained.

198 (b) Any person who commits, takes part in, or assists in any violation
199 of any provision of sections 22a-36 to 22a-45, inclusive, including
200 regulations adopted by the commissioner and ordinances and
201 regulations promulgated by municipalities or districts pursuant to the
202 grant of authority herein contained, shall be assessed a civil penalty of
203 not more than one thousand dollars for each offense. Each violation of
204 said sections shall be a separate and distinct offense, and, in the case of
205 a continuing violation, each day's continuance thereof shall be deemed
206 to be a separate and distinct offense. The Superior Court, in an action
207 brought by the commissioner, municipality, district or any person, shall
208 have jurisdiction to restrain a continuing violation of said sections, to
209 issue orders directing that the violation be corrected or removed and to
210 assess civil penalties pursuant to this section. All costs, fees and
211 expenses in connection with such action shall be assessed as damages
212 against the violator together with reasonable attorney's fees which may

213 be allowed, all of which shall be awarded to the commissioner,
214 municipality, district or person which brought such action. All penalties
215 collected pursuant to this section shall be used solely by the
216 Commissioner of Energy and Environmental Protection (1) to restore
217 the affected wetlands or watercourses to their condition prior to the
218 violation, wherever possible, (2) to restore other degraded wetlands or
219 watercourses, (3) to inventory or index wetlands and watercourses of
220 the state, or (4) to implement a comprehensive training program for
221 inland wetlands agency members.

222 (c) Any person who wilfully or knowingly violates any provision of
223 sections 22a-36 to 22a-45, inclusive, shall be fined not more than one
224 thousand dollars for each day during which such violation continues or
225 be imprisoned not more than six months or both. For a subsequent
226 violation, such person shall be fined not more than two thousand dollars
227 for each day during which such violation continues or be imprisoned
228 not more than one year or both. For the purposes of this subsection,
229 "person" shall be construed to include any responsible corporate officer.

230 (d) For the purposes of this subdivision, "incomplete work" means
231 any physical improvement required by the inland wetlands approval
232 that is incomplete due to a suspension in construction, and "business"
233 means a sole proprietorship, trust, corporation, limited liability
234 company, union, association, firm, partnership or other organization or
235 group of persons. The authorized agent of the inland wetlands agency,
236 or where no such agent has been appointed, the zoning enforcement
237 officer, may initiate an enforcement action pursuant to section 8-12, as
238 amended by this act, against a business required to complete work in
239 connection with an inland wetland approval if (1) such approval has not
240 expired, (2) work required pursuant to such approval has been
241 suspended before completion and the agent, or the zoning enforcement
242 officer if no such agent has been appointed, determines the business has
243 no intent to resume such work within a reasonable time period, and (3)
244 (A) the agent, or the zoning enforcement officer if no such agent has
245 been appointed, determines that the incomplete work creates a
246 condition constituting a public health or safety hazard, or (B) the agent,

247 or the zoning enforcement officer if no such agent has been appointed,
248 has received and verified a complaint from one or more property
249 owners alleging damage to persons or property resulting from the
250 public health or safety hazard caused by such incomplete work.

251 Sec. 6. Section 20-417a of the general statutes is repealed and the
252 following is substituted in lieu thereof (*Effective from passage*):

253 As used in this section and sections 20-417b to 20-417j, inclusive:

254 (1) "Certificate" means a certificate of registration issued under
255 section 20-417b;

256 (2) "Commissioner" means the Commissioner of Consumer
257 Protection or any person designated by the commissioner to administer
258 and enforce this section and sections 20-417b to 20-417j, inclusive;

259 (3) "Completion" means the stage of construction of a new home in
260 which the new home construction contractor is in receipt of the
261 certificate of occupancy for such new home issued by the municipality
262 in which such new home is constructed;

263 (4) "Consumer" means the buyer or prospective buyer, or the buyer's
264 or prospective buyer's heirs or designated representatives, of any new
265 home or the owner of property on which a new home is being or will be
266 constructed regardless of whether such owner obtains a building permit
267 as the owner of the premises affected pursuant to section 29-263;

268 [(3)] (5) "Contract" means any agreement between a new home
269 construction contractor and a consumer for the construction or sale of a
270 new home or any portion of a new home prior to occupancy;

271 [(4)] (6) "Engage in the business" means that the person engages in
272 the business for the purpose of compensation or profit;

273 (7) "New home" means any newly constructed (A) single-family
274 dwelling unit, (B) dwelling consisting of not more than two units, or (C)
275 unit, common element or limited common element in a condominium,

276 as defined in section 47-68a, or in a common interest community, as
277 defined in section 47-202;

278 [(5)] (8) "New home construction contractor" means any person who
279 contracts with a consumer to construct or sell a new home or any portion
280 of a new home prior to occupancy;

281 [(6)] "New home" means any newly constructed (A) single-family
282 dwelling unit, (B) dwelling consisting of not more than two units, or (C)
283 unit, common element or limited common element in a condominium,
284 as defined in section 47-68a, or in a common interest community, as
285 defined in section 47-202;]

286 [(7)] (9) "Person" means one or more individuals, partnerships,
287 associations, corporations, limited liability companies, business trusts,
288 legal representatives or any organized group of persons; and

289 [(8)] "Consumer" means the buyer or prospective buyer, or the buyer's
290 or prospective buyer's heirs or designated representatives, of any new
291 home or the owner of property on which a new home is being or will be
292 constructed regardless of whether such owner obtains a building permit
293 as the owner of the premises affected pursuant to section 29-263; and

294 (9) "Completion" means the stage of construction of a new home in
295 which the new home construction contractor is in receipt of the
296 certificate of occupancy for such new home issued by the municipality
297 in which such new home is constructed.]

298 (10) "Proprietor" means an individual who (A) has an ownership
299 interest in a business entity that holds or has held a certificate issued
300 under section 20-417b, and (B) has been found by a court of competent
301 jurisdiction to have violated any provision of this chapter related to the
302 conduct of a business entity holding a certificate or that has held a
303 certificate issued under section 20-417b within the two years of the
304 effective date of entering into a contract with a consumer harmed by the
305 actions of such business entity or the owner of such business entity.

306 Sec. 7. Section 20-417i of the general statutes is repealed and the
307 following is substituted in lieu thereof (*Effective from passage*):

308 (a) The commissioner shall establish and maintain the New Home
309 Construction Guaranty Fund.

310 (b) Each person who receives a certificate pursuant to sections 20-
311 417a to 20-417j, inclusive, as amended by this act, shall pay a fee of two
312 hundred forty dollars annually to the New Home Construction
313 Guaranty Fund. Such fees shall be payable with the fee for an
314 application for a certificate or renewal of a certificate.

315 (c) (1) For fiscal years commencing on or after July 1, 2003, payments
316 received under subsection (b) of this section shall be credited to the New
317 Home Construction Guaranty Fund until the balance in the fund equals
318 [seven] six hundred fifty thousand dollars. Annually, if the balance in
319 the fund exceeds [seven] six hundred fifty thousand dollars, the first
320 [three] four hundred thousand dollars of the excess shall be deposited
321 in the consumer protection enforcement account established in section
322 21a-8a. On June 1, 2004, and each June first thereafter, if the balance in
323 the fund exceeds [seven] six hundred fifty thousand dollars, the excess
324 shall be deposited in the General Fund.

325 (2) Any money in the New Home Construction Guaranty Fund may
326 be invested or reinvested in the same manner as funds of the state
327 employees retirement system and the interest arising from such
328 investments shall be credited to the fund.

329 (d) Whenever a consumer obtains a binding arbitration decision, a
330 court judgment, order or decree against or regarding any new home
331 construction contractor holding a certificate or who has held a certificate
332 under sections 20-417a to 20-417j, inclusive, as amended by this act, or
333 against a proprietor, within two years of the date [of entering] such
334 contractor entered into the contract with the consumer, for loss or
335 damages sustained by reason of any violation of the provisions of
336 sections 20-417a to 20-417j, inclusive, as amended by this act, by a person
337 holding a certificate under said sections, such consumer may, upon the

338 final determination of, or expiration of time for taking, an appeal in
339 connection with any such decision, judgment, order or decree, apply to
340 the commissioner for an order directing payment out of the New Home
341 Construction Guaranty Fund of the amount, not exceeding [thirty] fifty
342 thousand dollars, unpaid upon the decision, judgment, order or decree
343 for actual damages and costs taxed by the court against such contractor
344 or proprietor, exclusive of punitive damages. The application shall be
345 made on forms provided by the commissioner and shall be
346 accompanied by a copy of the decision, court judgment, order or decree
347 obtained against the new home construction contractor or proprietor
348 together with a statement signed and sworn to by the consumer,
349 affirming that the consumer has: (1) Complied with all the requirements
350 of this subsection; (2) obtained a decision, judgment, order or decree
351 stating the amount of the decision, judgment, order or decree and the
352 amount owing on the decision, judgment, order or decree at the date of
353 application; and (3) made a good faith effort to satisfy any such decision,
354 judgment, order or decree in accordance with the provisions of chapter
355 906, which effort may include causing to be issued a writ of execution
356 upon such decision, judgment, order or decree, [but] provided the
357 officer executing the same has made a return showing that no bank
358 accounts or personal property of such contractor liable to be levied upon
359 in satisfaction of the decision, judgment, order or decree could be found,
360 or that the amount realized on the sale of them or of such of them as
361 were found, under the execution, was insufficient to satisfy the actual
362 damage portion of the decision, judgment, order or decree or stating the
363 amount realized and the balance remaining due on the decision,
364 judgment, order or decree after application on the decision, judgment,
365 order or decree of the amount realized, except that the requirements of
366 this subdivision shall not apply to a judgment, order or decree obtained
367 by the consumer in small claims court. A true and attested copy of such
368 executing officer's return, when required, shall be attached to such
369 application. Whenever the consumer satisfies the commissioner or the
370 commissioner's designee that it is not practicable to comply with the
371 requirements of subdivision (3) of this subsection and that the consumer
372 has taken all reasonable steps to collect the amount of the decision,

373 judgment, order or decree or the unsatisfied part of the decision,
374 judgment, order or decree and has been unable to collect the same, the
375 commissioner or the commissioner's designee may, in the
376 commissioner's or the commissioner's designee's discretion, dispense
377 with the necessity for complying with such requirement. No application
378 for an order directing payment out of the fund shall be made later than
379 two years from the final determination of, or expiration of time for
380 taking, an appeal of such decision, court judgment, order or decree and
381 no such application shall be for an amount in excess of [thirty] fifty
382 thousand dollars.

383 (e) Upon receipt of such application together with such copy of the
384 decision, court judgment, order or decree, statement and, except as
385 otherwise provided in subsection (d) of this section, true and attested
386 copy of the executing officer's return, the commissioner or the
387 commissioner's designee shall inspect such documents for their veracity
388 and upon a determination that such documents are complete and
389 authentic and that the consumer has not been paid, the commissioner
390 shall order payment out of the New Home Construction Guaranty Fund
391 of the amount not exceeding [thirty] fifty thousand dollars unpaid upon
392 the decision, judgment, order or decree for actual damages and costs
393 taxed by the court against the contractor or proprietor, exclusive of
394 punitive damages.

395 (f) [Beginning] (1) During the period beginning on October 1, 2000,
396 and ending on the date immediately preceding the effective date of this
397 section, whenever a consumer is awarded an order of restitution against
398 any new home construction contractor for loss or damages sustained as
399 a result of any violation of the provisions of sections 20-417a to 20-417j,
400 inclusive, as amended by this act, by a person holding a certificate or
401 who has held a certificate under said sections within two years of the
402 date of entering into the contract with the consumer, in [(1)] (A) a
403 proceeding brought by the commissioner pursuant to subsection [(h)] (i)
404 of this section or subsection (d) of section 42-110d, [(2)] (B) a proceeding
405 brought by the Attorney General pursuant to subsection (a) of section
406 42-110m, or subsection (d) of section 42-110d, or [(3)] (C) a criminal

407 proceeding pursuant to section 20-417e, such consumer may, upon the
408 final determination of, or expiration of time for taking, an appeal in
409 connection with any such order of restitution, apply to the
410 commissioner for an order directing payment out of the New Home
411 Construction Guaranty Fund of the amount not exceeding [thirty] fifty
412 thousand dollars unpaid upon the order of restitution. The
413 commissioner may issue such order upon a determination that the
414 consumer has not been paid.

415 (2) Beginning on the effective date of this section, whenever a
416 consumer is awarded an order of restitution against any new home
417 construction contractor or proprietor for loss or damages sustained as a
418 result of any violation of the provisions of sections 20-417a to 20-417j,
419 inclusive, as amended by this act, by a person holding a certificate or
420 who has held a certificate under said sections within two years of the
421 date such contractor entered into the contract with the consumer, in (A)
422 a proceeding brought by the commissioner pursuant to subsection (i) of
423 this section or subsection (d) of section 42-110d, (B) a proceeding
424 brought by the Attorney General pursuant to subsection (a) of section
425 42-110m or subsection (d) of section 42-110d, or (C) a criminal
426 proceeding pursuant to section 20-417e, such consumer may, upon the
427 final determination of, or expiration of time for taking, an appeal in
428 connection with any such order of restitution, apply to the
429 commissioner for an order directing payment out of the New Home
430 Construction Guaranty Fund of the amount not exceeding fifty
431 thousand dollars unpaid upon the order of restitution. The
432 commissioner may issue such order upon a determination that the
433 consumer has not been paid.

434 (g) Whenever the commissioner orders payment to a consumer out
435 of the New Home Construction Guaranty Fund based upon a decision,
436 judgment, order or decree of restitution, the contractor and proprietor
437 shall be liable for the resulting debt to the New Home Construction
438 Guaranty Fund.

439 [(g)] (h) Before the commissioner may issue any order directing

440 payment out of the New Home Construction Guaranty Fund to a
441 consumer pursuant to subsection (e) or (f) of this section, the
442 commissioner shall first notify the new home construction contractor of
443 the consumer's application for an order directing payment out of the
444 fund and of the new home construction contractor's right to a hearing
445 to contest the disbursement in the event that such contractor or
446 proprietor has already paid the consumer. Such notice shall be given to
447 the new home construction contractor not later than fifteen days after
448 receipt by the commissioner of the consumer's application for an order
449 directing payment out of the fund. If the new home construction
450 contractor requests a hearing, in writing, by certified mail not later than
451 fifteen days after receiving the notice from the commissioner, the
452 commissioner shall grant such request and shall conduct a hearing in
453 accordance with the provisions of chapter 54. If the commissioner does
454 not receive a written request for a hearing by certified mail from the new
455 home construction contractor on or before the fifteenth day from the
456 contractor's receipt of such notice, the commissioner shall conclude that
457 the consumer has not been paid, and the commissioner shall issue an
458 order directing payment out of the fund for the amount not exceeding
459 [thirty] fifty thousand dollars unpaid upon the judgment, order or
460 decree for actual damages and costs taxed by the court against the new
461 home construction contractor or proprietor, exclusive of punitive
462 damages, or for the amount not exceeding [thirty] fifty thousand dollars
463 unpaid upon the order of restitution.

464 [(h)] (i) The commissioner or the commissioner's designee may
465 proceed against any new home construction contractor holding a
466 certificate or who has held a certificate under sections 20-417a to 20-417j,
467 inclusive, as amended by this act, within two years of the effective date
468 of entering into the contract with the consumer, for an order of
469 restitution arising from loss or damages sustained by any consumer as
470 a result of any violation of the provisions of said sections 20-417a to 20-
471 417j, inclusive, by the contractor or proprietor. Any such proceeding
472 shall be held in accordance with the provisions of chapter 54. In the
473 course of such proceeding, the commissioner or the commissioner's

474 designee shall decide whether to (1) exercise the powers specified in
475 section 20-417c, (2) order restitution arising from loss or damages
476 sustained by any consumer as a result of any violation of the provisions
477 of sections 20-417a to 20-417j, inclusive, as amended by this act, and (3)
478 order payment out of the New Home Construction Guaranty Fund.
479 Notwithstanding the provisions of chapter 54, the decision of the
480 commissioner or the commissioner's designee shall be final with respect
481 to any proceeding to order payment out of the fund and the
482 commissioner and the commissioner's designee shall not be subject to
483 the requirements of chapter 54 as such requirements relate to an appeal
484 from any such decision. The commissioner or the commissioner's
485 designee may hear complaints of all consumers submitting claims
486 against a single new home construction contractor in one proceeding.

487 [(i)] (j) No application for an order directing payment out of the New
488 Home Construction Guaranty Fund shall be made later than two years
489 from the final determination of, or expiration of time for, an appeal in
490 connection with any judgment, order or decree of restitution, and no
491 such application shall be for an amount in excess of [thirty] fifty
492 thousand dollars.

493 [(j)] (k) In order to preserve the integrity of the New Home
494 Construction Guaranty Fund, the commissioner, in the commissioner's
495 sole discretion, may order payment out of the fund of an amount less
496 than the actual loss or damages incurred by the consumer or less than
497 the order of restitution awarded by the commissioner or the Superior
498 Court. In no event shall any payment out of the fund be in excess of
499 [thirty] fifty thousand dollars for any single claim by a consumer.

500 [(k)] (l) If the money deposited in the New Home Construction
501 Guaranty Fund is insufficient to satisfy any duly authorized claim or
502 portion of a claim, the commissioner shall, when sufficient money has
503 been deposited in the fund, satisfy such unpaid claims or portions of
504 claims not exceeding [thirty] fifty thousand dollars, in the order that
505 such claims or portions of claims were originally determined.

506 [(l)] (m) Whenever the commissioner has caused any sum to be paid
507 from the New Home Construction Guaranty Fund to a consumer, the
508 commissioner shall be subrogated to all of the rights of the consumer up
509 to the amount paid plus reasonable interest, and prior to receipt of any
510 payment from the fund, the consumer shall assign all of the consumer's
511 right, title and interest in the claim up to such amount to the
512 commissioner, and any amount and interest recovered by the
513 commissioner on the claim shall be deposited in the fund.

514 [(m)] (n) If the commissioner orders the payment of any amount as a
515 result of a guaranty fund claim against a new home construction
516 contractor or proprietor, the commissioner shall determine if such
517 contractor is possessed of assets liable to be sold or applied in
518 satisfaction of the claim on the New Home Construction Guaranty
519 Fund. If the commissioner discovers any such assets, the commissioner
520 may request that the Attorney General take any action necessary for the
521 reimbursement of the fund.

522 [(n)] (o) If the commissioner orders the payment of an amount as a
523 result of a guaranty fund claim against a new home construction
524 contractor, the commissioner may, after notice and hearing in
525 accordance with the provisions of chapter 54, revoke the certificate of
526 such contractor and such contractor shall not be eligible to receive a new
527 or renewed certificate until such contractor has repaid such amount in
528 full, plus interest from the time such payment is made from the New
529 Home Construction Guaranty Fund, at a rate to be in accordance with
530 section 37-3b, except that the commissioner may, in the commissioner's
531 sole discretion, permit a new home construction contractor to receive a
532 new or renewed certificate after such contractor has entered into an
533 agreement with the commissioner whereby such contractor agrees to
534 repay the fund in full in the form of periodic payments over a set period
535 of time. Any such agreement shall include a provision providing for the
536 summary suspension of any and all certificates held by the new home
537 construction contractor if payment is not made in accordance with the
538 terms of the agreement."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2024</i>	8-3(m)
Sec. 2	<i>October 1, 2024</i>	8-12
Sec. 3	<i>October 1, 2024</i>	8-12a
Sec. 4	<i>October 1, 2024</i>	8-26c(e)
Sec. 5	<i>October 1, 2024</i>	22a-44
Sec. 6	<i>from passage</i>	20-417a
Sec. 7	<i>from passage</i>	20-417i