General Assembly **Substitute Bill No. 7208**

January Session, 2025

* H B 0 7 2 0 8 G A E 0 3 2 0 2 5 *

AN ACT CONCERNING REFERENDA ON THE SALE OF MUNICIPAL AUTHORITIES, DEPARTMENTS, AGENCIES OR ASSETS THEREOF OR THE PRIVATIZATION OF MUNICIPAL SERVICES OR FUNCTIONS.

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

Section 1. (NEW) (*Effective July 1, 2025*) (a) (1) Notwithstanding the provisions of any special act, charter or home rule ordinance and except as provided in subsection (b) of this section, in any municipality where the legislative body has authorized, on or after July 1, 2025, such municipality to enter into an agreement for (A) the sale of any municipal authority, department or agency, or any asset of any such authority, department or agency, or (B) the provision of services or the performance of functions by a private company that are substantially similar to and in lieu of services provided or functions performed by municipal employees, a petition signed by five per cent or more of the electors of such municipality, and complying with the provisions of section 7-9 of the general statutes, may be filed with the municipal clerk, not later than thirty days after the legislative body has granted such authorization, proposing that such authorization be submitted to the electors of the municipality at the next regular election. Until the expiration of such thirty-day period and unless the municipal clerk determines that such petition fails to satisfy the requirements of this subdivision, the municipality shall not finalize entering into any

agreement described in this subdivision.

(2) If the municipal clerk determines that a petition described in subdivision (1) of this subsection satisfies the requirements of said subdivision, such municipal clerk shall notify the legislative body and chief executive officer of such municipality that the necessary action has been taken for submission to the electors and a referendum shall be held at the next regular election, in accordance with the provisions of chapter 152 of the general statutes, on whether to approve of the legislative body's authorization under subdivision (1) of this subsection.

(3) If a majority of the electors voting at the referendum held pursuant to subdivision (2) of this subsection approve of the legislative body's authorization under subdivision (1) of this subsection, the municipality may proceed with entering into an agreement for the purposes of subparagraph (A) or (B) of subdivision (1) of this subsection, as applicable. If a majority of such electors do not so approve, the municipality shall not so proceed and shall be prohibited from entering into any agreement for such purposes, with respect to such municipal authority, department, agency or any asset thereof or with respect to such services provided or functions performed, for a period of five years.

(b) In any municipality operating under a special act, charter or home rule ordinance pursuant to which less than five per cent of the electors of such municipality may file a petition to hold a referendum on a matter described in subdivision (1) of subsection (a) of this section, the provisions of such special act, charter or home rule ordinance shall prevail over the provisions of subsection (a) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*July 1, 2025*	New section

Statement of Legislative Commissioners:
In Subsec. (a)(2), "under said subdivision (1)" was changed to "under subdivision (1) of this subsection" for consistency with standard drafting conventions; and in Subsec. (a)(3), "subparagraph (A) or (B), as applicable, of subdivision (1) of this subsection" was changed to "subparagraph (A) or (B) of subdivision (1) of this subsection, as applicable" for consistency with standard drafting conventions.

GAE *Joint Favorable Subst.*