



# House of Representatives

General Assembly

**File No. 416**

January Session, 2025

Substitute House Bill No. 7199

*House of Representatives, April 1, 2025*

The Committee on Public Safety and Security reported through REP. BOYD of the 50th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## **AN ACT CONCERNING FIREFIGHTER RECRUITMENT AND RETENTION.**

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

1       Section 1. (NEW) (*Effective July 1, 2025*) The Connecticut Housing  
2       Finance Authority shall develop and administer a program of mortgage  
3       assistance to uniformed members of paid or volunteer fire departments  
4       in the state. Such assistance shall be available to an eligible firefighter  
5       for the purchase of a house as such firefighter's principal residence in  
6       the community served by such firefighter. In making mortgage  
7       assistance available under the program, the authority shall utilize down  
8       payment assistance or any other appropriate housing subsidies. The  
9       terms of any mortgage assistance shall allow the mortgagee to realize a  
10      reasonable portion of the equity gain upon sale of the mortgaged  
11      property.

12      Sec. 2. Subsection (d) of section 10a-77 of the general statutes is  
13      repealed and the following is substituted in lieu thereof (*Effective July 1,*  
14      *2025*):

15 (d) Said board of trustees shall waive the payment of tuition at any of  
16 the regional community-technical colleges (1) for any dependent child  
17 of a person whom the armed forces of the United States has declared to  
18 be missing in action or to have been a prisoner of war while serving in  
19 such armed forces after January 1, 1960, which child has been accepted  
20 for admission to such institution and is a resident of the state at the time  
21 such child is accepted for admission to such institution, (2) subject to the  
22 provisions of subsection (e) of this section, for any veteran, as defined in  
23 section 27-103, who performed service in time of war, as defined in  
24 section 27-103, except that for purposes of this subsection, "service in  
25 time of war" shall not include time spent in attendance at a military  
26 service academy, which veteran has been accepted for admission to such  
27 institution and is domiciled in this state at the time such veteran is  
28 accepted for admission to such institution, (3) for any resident of the  
29 state sixty-two years of age or older, provided, at the end of the regular  
30 registration period, there are enrolled in the course a sufficient number  
31 of students other than those residents eligible for waivers pursuant to  
32 this subdivision to offer the course in which such resident intends to  
33 enroll and there is space available in such course after accommodating  
34 all such students, (4) for any student attending the Connecticut State  
35 Police Academy who is enrolled in a law enforcement program at said  
36 academy offered in coordination with a regional community-technical  
37 college which accredits courses taken in such program, (5) for any active  
38 member of the Connecticut Army or Air National Guard who (A) has  
39 been certified by the Adjutant General or such Adjutant General's  
40 designee as a member in good standing of the guard, and (B) is enrolled  
41 or accepted for admission to such institution on a full-time or part-time  
42 basis in an undergraduate degree-granting program, (6) for any  
43 dependent child of a (A) police officer, as defined in section 7-294a, or  
44 supernumerary or auxiliary police officer, (B) firefighter, as defined in  
45 section 7-323j, or member of a volunteer fire company, (C) municipal  
46 employee, or (D) state employee, as defined in section 5-154, killed in  
47 the line of duty, (7) for any resident of the state who is a dependent child  
48 or surviving spouse of a specified terrorist victim who was a resident of  
49 this state, (8) for any dependent child of a resident of the state who was

50 killed in a multivehicle crash at or near the intersection of Routes 44 and  
51 10 and Nod Road in Avon on July 29, 2005, [and] (9) for any resident of  
52 the state who is a dependent child or surviving spouse of a person who  
53 was killed in action while performing active military duty with the  
54 armed forces of the United States on or after September 11, 2001, and  
55 who was a resident of this state, (10) for a uniformed member of a paid  
56 or volunteer fire department, who, as documented by the chief of such  
57 department, has served as such a member in the state for not less than  
58 two years, (11) for any dependent child of a uniformed member of a paid  
59 or volunteer fire department, who, as documented by the chief of such  
60 department, has served as such a member in the state for not less than  
61 five years, and (12) for any student attending the state fire school, who  
62 is enrolled in a program at said school offered in coordination with a  
63 regional community-technical college that accredits courses taken in  
64 such program. If any person who receives a tuition waiver in accordance  
65 with the provisions of this subsection also receives educational  
66 reimbursement from an employer, such waiver shall be reduced by the  
67 amount of such educational reimbursement. Veterans and members of  
68 the National Guard described in subdivision (5) of this subsection shall  
69 be given the same status as students not receiving tuition waivers in  
70 registering for courses at regional community-technical colleges.  
71 Notwithstanding the provisions of section 10a-30, as used in this  
72 subsection, "domiciled in this state" includes domicile for less than one  
73 year.

74 Sec. 3. Subsection (d) of section 10a-99 of the general statutes is  
75 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
76 *2025*):

77 (d) Said board shall waive the payment of tuition fees for  
78 undergraduate and graduate degree programs at the Connecticut State  
79 University System (1) for any dependent child of a person whom the  
80 armed forces of the United States has declared to be missing in action or  
81 to have been a prisoner of war while serving in such armed forces after  
82 January 1, 1960, which child has been accepted for admission to such  
83 institution and is a resident of the state at the time such child is accepted

84 for admission to such institution, (2) subject to the provisions of  
85 subsection (e) of this section, for any veteran, as defined in section 27-  
86 103, who performed service in time of war, as defined in section 27-103,  
87 except that for purposes of this subsection, "service in time of war" shall  
88 not include time spent in attendance at a military service academy,  
89 which veteran has been accepted for admission to such institution and  
90 is domiciled in this state at the time such veteran is accepted for  
91 admission to such institution, (3) for any resident of the state sixty-two  
92 years of age or older who has been accepted for admission to such  
93 institution, provided (A) such resident is enrolled in a degree-granting  
94 program, or (B) at the end of the regular registration period, there are  
95 enrolled in the course a sufficient number of students other than those  
96 residents eligible for waivers pursuant to this subdivision to offer the  
97 course in which such resident intends to enroll and there is space  
98 available in such course after accommodating all such students, (4) for  
99 any student attending the Connecticut Police Academy who is enrolled  
100 in a law enforcement program at said academy offered in coordination  
101 with the university which accredits courses taken in such program, (5)  
102 for any active member of the Connecticut Army or Air National Guard  
103 who (A) has been certified by the Adjutant General or such Adjutant  
104 General's designee as a member in good standing of the guard, and (B)  
105 is enrolled or accepted for admission to such institution on a full-time  
106 or part-time basis in an undergraduate or graduate degree-granting  
107 program, (6) for any dependent child of a (A) police officer, as defined  
108 in section 7-294a, or supernumerary or auxiliary police officer, (B)  
109 firefighter, as defined in section 7-323j, or member of a volunteer fire  
110 company, (C) municipal employee, or (D) state employee, as defined in  
111 section 5-154, killed in the line of duty, (7) for any resident of this state  
112 who is a dependent child or surviving spouse of a specified terrorist  
113 victim who was a resident of the state, (8) for any dependent child of a  
114 resident of the state who was killed in a multivehicle crash at or near the  
115 intersection of Routes 44 and 10 and Nod Road in Avon on July 29, 2005,  
116 [and] (9) for any resident of the state who is a dependent child or  
117 surviving spouse of a person who was killed in action while performing  
118 active military duty with the armed forces of the United States on or

119 after September 11, 2001, and who was a resident of this state, (10) for a  
120 uniformed member of a paid or volunteer fire department, who, as  
121 documented by the chief of such department, has served as such a  
122 member in the state for not less than two years, (11) for any dependent  
123 child of a uniformed member of a paid or volunteer fire department,  
124 who, as documented by the chief of such department, has served as such  
125 a member in the state for not less than five years, and (12) for any  
126 student attending the state fire school, who is enrolled in a program at  
127 said school offered in coordination with the university that accredits  
128 courses taken in such program. If any person who receives a tuition  
129 waiver in accordance with the provisions of this subsection also receives  
130 educational reimbursement from an employer, such waiver shall be  
131 reduced by the amount of such educational reimbursement. Veterans  
132 and members of the National Guard described in subdivision (5) of this  
133 subsection shall be given the same status as students not receiving  
134 tuition waivers in registering for courses at Connecticut state  
135 universities. Notwithstanding the provisions of section 10a-30, as used  
136 in this subsection, "domiciled in this state" includes domicile for less  
137 than one year.

138 Sec. 4. Subsection (e) of section 10a-105 of the general statutes is  
139 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
140 *2025*):

141 (e) Said board of trustees shall waive the payment of tuition fees for  
142 any undergraduate or graduate degree program at The University of  
143 Connecticut (1) for any dependent child of a person whom the armed  
144 forces of the United States has declared to be missing in action or to have  
145 been a prisoner of war while serving in such armed forces after January  
146 1, 1960, which child has been accepted for admission to The University  
147 of Connecticut and is a resident of the state at the time such child is  
148 accepted for admission to said institution, (2) subject to the provisions  
149 of subsection (f) of this section, for any veteran, as defined in section 27-  
150 103, who performed service in time of war, as defined in section 27-103,  
151 except that for purposes of this subsection, "service in time of war" shall  
152 not include time spent in attendance at a military service academy,

153 which veteran has been accepted for admission to said institution and is  
154 domiciled in this state at the time such veteran is accepted for admission  
155 to said institution, (3) for any resident of the state sixty-two years of age  
156 or older who has been accepted for admission to said institution,  
157 provided (A) such resident is enrolled in a degree-granting program, or  
158 (B) at the end of the regular registration period, there are enrolled in the  
159 course a sufficient number of students other than those residents eligible  
160 for waivers pursuant to this subdivision to offer the course in which  
161 such resident intends to enroll and there is space available in such  
162 course after accommodating all such students, (4) for any active member  
163 of the Connecticut Army or Air National Guard who (A) has been  
164 certified by the Adjutant General or such Adjutant General's designee  
165 as a member in good standing of the guard, and (B) is enrolled or  
166 accepted for admission to said institution on a full-time or part-time  
167 basis in an undergraduate or graduate degree-granting program, (5) for  
168 any dependent child of a (A) police officer, as defined in section 7-294a,  
169 or supernumerary or auxiliary police officer, (B) firefighter, as defined  
170 in section 7-323j, or member of a volunteer fire company, (C) municipal  
171 employee, or (D) state employee, as defined in section 5-154, killed in  
172 the line of duty, (6) for any resident of the state who is the dependent  
173 child or surviving spouse of a specified terrorist victim who was a  
174 resident of the state, (7) for any dependent child of a resident of the state  
175 who was killed in a multivehicle crash at or near the intersection of  
176 Routes 44 and 10 and Nod Road in Avon on July 29, 2005, [and] (8) for  
177 any resident of the state who is a dependent child or surviving spouse  
178 of a person who was killed in action while performing active military  
179 duty with the armed forces of the United States on or after September  
180 11, 2001, and who was a resident of this state, (9) for a uniformed  
181 member of a paid or volunteer fire department, who, as documented by  
182 the chief of such department, has served as such a member in the state  
183 for not less than two years, and (10) for any dependent child of a  
184 uniformed member of a paid or volunteer fire department, who, as  
185 documented by the chief of such department, has served as such a  
186 member in the state for not less than five years. If any person who  
187 receives a tuition waiver in accordance with the provisions of this

188 subsection also receives educational reimbursement from an employer,  
189 such waiver shall be reduced by the amount of such educational  
190 reimbursement. Veterans and members of the National Guard  
191 described in subdivision (4) of this subsection shall be given the same  
192 status as students not receiving tuition waivers in registering for courses  
193 at The University of Connecticut. Notwithstanding the provisions of  
194 section 10a-30, as used in this subsection, "domiciled in this state"  
195 includes domicile for less than one year.

196 Sec. 5. (NEW) (*Effective July 1, 2025*) (a) As used in this section:

197 (1) "Accrued service award" means the total value, as of a given date,  
198 of a participant's program account.

199 (2) "Bona fide volunteer" has the same meaning as provided in  
200 Section 457(e) of the Internal Revenue Code of 1986, or any subsequent  
201 corresponding internal revenue code of the United States, as amended  
202 from time to time.

203 (3) "Commission" means the State Retirement Commission.

204 (4) "Eligible firefighter" means a firefighter who (A) is a bona fide  
205 volunteer performing qualified services in a volunteer fire company or  
206 department, and (B) is not otherwise earning credit for such qualified  
207 service as a participant in any other length-of-service award program,  
208 pension system operating pursuant to subparagraph (A) of subdivision  
209 (5) of subsection (c) of section 7-148 of the general statutes or any other  
210 comparable program.

211 (5) "Participant" means an eligible firefighter who participates in the  
212 program.

213 (6) "Program account" means a separate account maintained for each  
214 participant reflecting applicable contributions, applicable forfeitures,  
215 investment income or loss and administrative and investment expenses  
216 allocated to each participant and paid from the Volunteer Firefighter  
217 Length-of-Service Award Program Trust Fund, established under  
218 subsection (c) of this section.

219 (7) "Qualified service" has the same meaning as provided in Section  
220 457(e)(11) of the Internal Revenue Code of 1986, or any subsequent  
221 corresponding internal revenue code of the United States, as amended  
222 from time to time.

223 (b) The State Retirement Commission, in consultation with the  
224 Commission on Fire Prevention and Control and the State Fire  
225 Administrator, shall establish a volunteer firefighter length-of-service  
226 award program. The State Retirement Commission may contract with  
227 third parties to provide services for such program.

228 (c) There is established a Volunteer Firefighter Length-of-Service  
229 Award Program Trust Fund. The fund shall contain any moneys  
230 required or permitted by law to be deposited in the fund and may apply  
231 for and accept gifts, grants or donations from public or private sources  
232 to enable the trust fund to carry out its objectives. Investment earnings  
233 credited to the assets of the fund shall become part of the assets of the  
234 fund. The fund shall be held in trust separate and apart from all other  
235 moneys, funds and accounts. Any balance remaining in the fund at the  
236 end of any fiscal year shall be carried forward in the fund for the fiscal  
237 year next succeeding. The fund shall be used to make payments as  
238 provided in this section and for administrative expenses related to the  
239 provisions of this section.

240 (d) Not later than January 1, 2026, and annually thereafter, each  
241 volunteer fire company or department shall submit to the commission a  
242 list of eligible firefighters and the amount of service credit each such  
243 firefighter has earned with such department, on a form and in a manner  
244 as determined by the commission.

245 (e) (1) Not later than April 1, 2026, and annually thereafter, the  
246 commission shall determine which eligible firefighters satisfy the  
247 service credit requirements established pursuant to regulations adopted  
248 in accordance with subsection (k) of this section to be participants in the  
249 program, and the amount of credits applicable to each such participant.

250 (2) An eligible firefighter may decline to become a participant in the



251 program if such firefighter files with the commission, prior to such  
252 firefighter satisfying such service credit requirements to become a  
253 participant in the program, an irrevocable waiver of participation that  
254 is signed by the eligible firefighter and the chief of the volunteer fire  
255 company or department of which such firefighter is a member.

256 (3) A participant shall receive service credit for service as an eligible  
257 firefighter before, on and after the effective date of this section. Service  
258 credit earned by a participant shall never be forfeited.

259 (f) Not later than July 1, 2026, and annually thereafter, the  
260 commission shall credit a length-of-service award, in an amount  
261 determined by the regulations adopted pursuant to subsection (k) of this  
262 section, to the program account of each participant who the commission  
263 determines qualifies for a length-of-service award pursuant to the  
264 service credit requirements established by such regulations. No such  
265 award may exceed the limit provided in Section 457(e)(11) of the  
266 Internal Revenue Code of 1986, or any subsequent corresponding  
267 internal revenue code of the United States, as amended from time to  
268 time.

269 (g) (1) A participant's accrued service award becomes vested once  
270 such participant has five years of service credit, as determined pursuant  
271 to regulations adopted under subsection (k) of this section.

272 (2) If a participant has not been an eligible firefighter for thirty-six  
273 consecutive months and such participant's accrued service award has  
274 not become vested, such accrued service award shall be forfeited and  
275 deposited in the Volunteer Firefighter Length-of-Service Award  
276 Program Trust Fund.

277 (h) The commission shall pay each participant such participant's  
278 accrued service award when the participant:

279 (1) Becomes vested pursuant to subsection (g) of this section and has  
280 attained the age of sixty-five years or over;

281 (2) Has twenty years of service credit, except the participant may,

282 prior to attaining such twenty years of service credit, file a written  
283 election with the commission to defer payment of the accrued service  
284 award until the participant attains the age of sixty-five;

285 (3) Is vested and has not been an eligible firefighter for at least thirty-  
286 six consecutive months; or

287 (4) Has been determined to be totally and permanently disabled by  
288 the United States Social Security Administration, the Workers'  
289 Compensation Commission or any other entity approved by the State  
290 Retirement Commission.

291 (i) If a participant is paid such participant's accrued service award  
292 pursuant to subsection (h) of this section and subsequently qualifies for  
293 a length-of-service award at any other time pursuant to the provisions  
294 of this section and regulations adopted pursuant to subsection (k) of this  
295 section, the commission shall pay such service award directly to such  
296 participant.

297 (j) If a participant dies prior to receiving such participant's accrued  
298 service award pursuant to subsection (h) of this section or a length-of-  
299 service award pursuant to subsection (i) of this section, the commission  
300 shall pay such award to any beneficiary the participant has designated  
301 on a form and in a manner prescribed by the commission.

302 (k) Not later than January 1, 2026, the State Retirement Commission,  
303 in consultation with the Commission on Fire Prevention and Control  
304 and the State Fire Administrator, shall adopt regulations, in accordance  
305 with the provisions of chapter 54 of the general statutes, to implement  
306 the volunteer firefighter length-of-service award program. Such  
307 regulations shall include, but need not be limited to, provisions  
308 regarding (1) earning service credits and determining the amount of  
309 awards, which may include a point-based system that requires earning  
310 points for responding to calls, attending meetings and trainings or other  
311 factors, (2) documentation for earning such credits, including a system  
312 to permit volunteer fire companies and departments to comply with the  
313 requirements of subsection (d) of this section, and (3) contesting

314 determinations of service credits awarded to a participant.

315 Sec. 6. Section 3-13c of the general statutes is repealed and the  
316 following is substituted in lieu thereof (*Effective July 1, 2025*):

317 As used in sections 3-13 to 3-13e, inclusive, and 3-31b, "trust funds"  
318 includes the Connecticut Municipal Employees' Retirement Fund A, the  
319 Connecticut Municipal Employees' Retirement Fund B, the Soldiers,  
320 Sailors and Marines Fund, the Family and Medical Leave Insurance  
321 Trust Fund, the State's Attorneys' Retirement Fund, the Teachers'  
322 Annuity Fund, the Teachers' Pension Fund, the Teachers' Survivorship  
323 and Dependency Fund, the School Fund, the State Employees  
324 Retirement Fund, the Hospital Insurance Fund, the Policemen and  
325 Firemen Survivor's Benefit Fund, any trust fund described in  
326 subdivision (1) of subsection (b) of section 7-450 that is administered,  
327 held or invested by the State Treasurer, the Connecticut Baby Bond  
328 Trust, any Climate Change and Coastal Resiliency Reserve Fund created  
329 pursuant to section 7-159d, the Volunteer Firefighter Length-of-Service  
330 Award Program Trust Fund and all other trust funds administered, held  
331 or invested by the State Treasurer.

332 Sec. 7. Section 1 of special act 23-1 is amended to read as follows  
333 (*Effective from passage*):

334 (a) There is established a task force to study the shortage of  
335 firefighters and emergency medical services personnel in the state. The  
336 task force shall:

337 (1) Examine the factors associated with the shortage of firefighters  
338 and emergency medical services personnel in the state;

339 (2) Study ways to alleviate such shortage, which shall include, but is  
340 not limited to, an examination of (A) providing an income tax credit for  
341 volunteer firefighters, (B) developing a pipeline from colleges and  
342 universities into firefighting and emergency medical services, (C)  
343 offering tuition incentives for volunteer firefighters and emergency  
344 medical services personnel, (D) streamlining certification and

345 recertification processes for firefighters and emergency medical services  
346 personnel, and (E) providing sustainable and consistent state funding  
347 for training of firefighters and emergency medical services personnel;  
348 and

349 (3) Make recommendations to address such shortage.

350 (b) The task force shall consist of the following members:

351 (1) Two appointed by the speaker of the House of Representatives,  
352 one of whom is a municipal chief executive officer;

353 (2) Two appointed by the president pro tempore of the Senate, one of  
354 whom is a municipal chief executive officer;

355 (3) One appointed by the majority leader of the House of  
356 Representatives, who is a firefighter;

357 (4) One appointed by the majority leader of the Senate, who provides  
358 emergency medical services;

359 (5) One appointed by the minority leader of the House of  
360 Representatives, who provides emergency medical services;

361 (6) One appointed by the minority leader of the Senate, who is a  
362 firefighter;

363 (7) The Commissioner of Emergency Services and Public Protection,  
364 or the commissioner's designee;

365 (8) The Commissioner of Public Health, or the commissioner's  
366 designee; and

367 (9) Three persons appointed by the Governor.

368 (c) Any member of the task force appointed under subdivision (1),  
369 (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member  
370 of the General Assembly.

371 (d) All initial appointments to the task force shall be made not later

372 than [thirty days after the effective date of this section] July 1, 2025. Any  
373 vacancy shall be filled by the appointing authority.

374 (e) The speaker of the House of Representatives and the president pro  
375 tempore of the Senate shall select the chairpersons of the task force from  
376 among the members of the task force. Such chairpersons shall schedule  
377 the first meeting of the task force, which shall be held not later than  
378 [sixty days after the effective date of this section] August 1, 2025.

379 (f) The administrative staff of the joint standing committee of the  
380 General Assembly having cognizance of matters relating to public safety  
381 and security shall serve as administrative staff of the task force.

382 (g) Not later than January 1, [2024] 2026, the task force shall submit a  
383 report on its findings and recommendations to the joint standing  
384 committee of the General Assembly having cognizance of matters  
385 relating to public safety and security, in accordance with the provisions  
386 of section 11-4a of the general statutes. The task force shall terminate on  
387 the date that it submits such report or January 1, [2024] 2026, whichever  
388 is later.

389 Sec. 8. (NEW) (*Effective July 1, 2025*) (a) For purposes of this section:

390 (1) "Entry-level training" means the training requirements associated  
391 with performing the basic duties of a firefighter, as determined by the  
392 state fire school, a municipal or regional fire school or a municipality  
393 within this state;

394 (2) "Cost of entry-level training" means the cost of training,  
395 equipment, uniforms, salary and fringe benefits and any cost related to  
396 firefighter entry-level training, except for the cost of any equipment or  
397 uniforms that were returned by such firefighter;

398 (3) "Firefighter" has the same meaning as provided in section 7-323j  
399 of the general statutes, except that "firefighter" does not include a  
400 volunteer firefighter; and

401 (4) "Municipality" has the same meaning as provided in section 7-323j

402 of the general statutes.

403 (b) If a firefighter who satisfactorily completes entry-level training  
 404 while employed by a municipality is subsequently hired by another  
 405 municipality on or after July 1, 2025, and within two years after the  
 406 firefighter completed the entry-level training, the municipality that  
 407 subsequently hires the firefighter shall reimburse the initial employing  
 408 municipality fifty per cent of the total cost of the entry-level training.  
 409 The provisions of this section shall not apply to a municipality that hires  
 410 a firefighter two years or more after the firefighter completes entry-level  
 411 training.

412 (c) Nothing in this section shall be construed to affect an agreement  
 413 between a firefighter or a collective bargaining unit and a municipality  
 414 entered into prior to July 1, 2025, that provides for the reimbursement  
 415 of the cost of entry-level training.

|   |                     |                 |
|---|---------------------|-----------------|
| This act shall take effect as follows and shall amend the following sections: |                     |                 |
| Section 1   | <i>July 1, 2025</i> | New section     |
| Sec. 2  | <i>July 1, 2025</i> | 10a-77(d)       |
| Sec. 3  | <i>July 1, 2025</i> | 10a-99(d)       |
| Sec. 4  | <i>July 1, 2025</i> | 10a-105(e)      |
| Sec. 5  | <i>July 1, 2025</i> | New section     |
| Sec. 6  | <i>July 1, 2025</i> | 3-13c           |
| Sec. 7  | <i>from passage</i> | SA 23-1, Sec. 1 |
| Sec. 8  | <i>July 1, 2025</i> | New section     |

**Statement of Legislative Commissioners:**

In Section 5(h)(2), "provided" was changed to "except" for clarity and accuracy.

**PS**            *Joint Favorable Subst. -LCO*

*The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.*

## **OFA Fiscal Note**

### **State Impact:**

| Agency Affected                           | Fund-Effect                          | FY 26 \$              | FY 27 \$              |
|---|--------------------------------------|-----------------------|-----------------------|
| Connecticut Housing and Finance Authority | CHFA - Cost/Potential Revenue Impact | Minimal               | Minimal               |
| Constituent Units of Higher Education     | GF - Cost                            | Potential Significant | Potential Significant |

Note: CHFA=Resources of CHFA; GF=General Fund

### **Municipal Impact:**

| Municipalities         | Effect   | FY 26 \$  | FY 27 \$  |
|------------------------|----------|-----------|-----------|
| Various Municipalities | Transfer | See Below | See Below |

### **Explanation**

The bill makes various changes regarding the recruitment and retention of firefighters, resulting in the various impacts described below.

**Section 1** requires the Connecticut Housing Finance Authority (CHFA) to establish a new program of mortgage assistance for uniformed members of fire departments, which results in costs to CHFA from the quasi-public's own resources beginning in FY 26 associated with developing and marketing the program.<sup>1</sup>

If CHFA provides fire fighters with existing first-time homebuyer mortgage products at a reduced interest rate, changes to CHFA's

<sup>1</sup> CHFA is a quasi-public authority that issues its own federally tax-exempt and taxable mortgage revenue bonds. The authority pays its operating expenses using funds derived from the excess of interest income from loans over bond interest expenses.

operating revenues are anticipated to be minimal.

Costs or revenue loss for providing other forms of assistance would depend on: (1) the number of firefighters assisted and (2) the type of assistance provided. Given the low utilization rate of CHFA's other occupation-specific mortgage assistance programs, the bill is not anticipated to materially change the rate of spending.<sup>2</sup>

**Sections 2 - 4** result in a potential, significant revenue loss annually beginning in FY 26 to the constituent units of higher education. It does so by establishing tuition waivers for: (1) certain paid and volunteer firefighters; (2) children of certain paid and volunteer firefighters; and (3) students attending the state fire school. The waiver for students attending the state fire school is only applicable to the Connecticut State Colleges and Universities.

There are an estimated 26,400 paid and volunteer firefighters in the state. The revenue loss to the constituent units could be significant and will vary based on the number of firefighters and their dependent children who receive the tuition waiver, and the value of the waiver. The table below shows the per student value of a tuition waiver the University of Connecticut (UConn), the Connecticut State Universities (CSUs), and CT State. It also shows what the potential revenue loss would be in FY 26 if an additional 500, 1,000, and 1,500 students received the waiver at each institution.

| <b>Examples of Tuition Waiver Value, FY 26</b> |                                   |                                  |                                     |
|--|-----------------------------------|----------------------------------|-------------------------------------|
| FY 26 Per Student Waiver Value                 | 17,012                            | 6,998                            | 4,608                               |
| <b># Addtl Students Receiving Waiver</b>       | <b>UConn Est. Revenue Loss \$</b> | <b>CSUs Est. Revenue Loss \$</b> | <b>CT State Est. Revenue Loss\$</b> |
| 500  | 8,506,000                         | 3,499,000                        | 2,304,000                           |
| 1,000  | 17,012,000                        | 6,998,000                        | 4,608,000                           |
| 1,500  | 25,518,000                        | 10,497,000                       | 6,912,000                           |

<sup>2</sup> In 2024, CHFA assisted approximately 3,900 first-time homebuyers. Of these buyers, 27 utilized the Teachers Mortgage Assistance Program, 46 utilized the Military Homeownership Program, and 2 utilized the Police Officer Homeownership Program.



**Sections 5 and 6** establish the Volunteer Firefighter Length-of-Service Award Program Trust Fund and result in no fiscal impact to appropriated funds as the monies within the fund will be used to make payments towards the operational costs, including one-time startup costs of up to \$100,000 for the State Treasurer to create a new investment fund.

**Section 7** extends deadlines for the previously established task force to study the shortage of firefighters and emergency medical services personnel in the state, resulting in no fiscal impact to the state.

**Section 8** may result in a transfer of funds between municipalities beginning in FY 26 as it requires any municipality that hires a firefighter from another municipality within two years of the firefighter completing entry-level training to reimburse the initial hiring municipality 50% of the total training costs. Municipalities that hire a firefighter from another municipality within two years of certification will incur a cost equal to half of the actual cost of the firefighter's entry-level training. Municipalities that lose a firefighter to such a transfer would realize a corresponding revenue gain equal to this cost.<sup>3</sup> There is no fiscal impact to municipalities that do not hire or lose a firefighter under these conditions.

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, the type and amount of CHFA mortgage assistance provided, tuition waivers granted, and the number of firefighters that change departments within two years of receiving training.

*Sources: Connecticut Housing Finance Authority CGS 8-260 Report 2024*

---

<sup>3</sup> The cost of entry-level training is estimated to be at least \$50,000 depending on the salary, fringe benefit rate, and training method of the firefighter.

**OLR Bill Analysis****sHB 7199*****AN ACT CONCERNING FIREFIGHTER RECRUITMENT AND RETENTION.*****SUMMARY**

This bill makes various changes designed to help retain firefighters. Principally, the bill:

1. requires the Connecticut Housing Finance Authority (CHFA) to develop and administer a mortgage assistance program for uniformed members of paid or volunteer fire departments (§ 1);
2. provides certain tuition waivers (a) at UConn, the Connecticut State Colleges and Universities (CSCU), and the community colleges for paid or volunteer firefighters with at least two years' service and for the dependent children of paid or volunteer firefighters with at least five years' service and (b) at CSCU and the community colleges for anyone who is attending the state fire school as part of a program offered in coordination with the college or university (§§ 2-4);
3. requires the State Retirement Commission to establish a volunteer firefighter length of service award program (LOSAP) (§§ 5 & 6); and
4. requires a municipality that hires a firefighter from another municipality within two years of the firefighter completing entry-level training to reimburse the initial hiring municipality 50% of the total training costs (§ 8).

The bill also extends certain dates for the 13-member task force to study the shortage of firefighters and emergency medical services (EMS) personnel in Connecticut established by SA 23-1 (§ 7).

EFFECTIVE DATE: July 1, 2025, except the provision extending the task force dates is effective upon passage.

### **§ 1 — MORTGAGE ASSISTANCE PROGRAM FOR PAID OR VOLUNTEER FIREFIGHTERS**

The bill requires CHFA to develop and administer a mortgage assistance program for uniformed members of paid or volunteer fire departments in the state who are buying a home as their principal residence in the community where they serve. In doing so, CHFA must (1) use down payment assistance or any other appropriate housing subsidies and (2) allow the mortgagee to realize a reasonable portion of the property's equity gain when it is sold.

### **§§ 2-4 — TUITION WAIVERS**

The bill requires UConn, CSCU, and the regional community-technical colleges to waive tuition for the following students:

1. uniformed members of paid or volunteer fire departments who have served for at least two years in the state, as documented by their department chief; and
2. dependent children of uniformed members of paid or volunteer fire departments who have served for at least five years in the state, as documented by the department's chief.

UConn and CSCU must waive tuition only for undergraduate and graduate degree programs.

The bill also requires CSCU and the regional community-technical colleges to waive tuition for students attending the state fire school who are enrolled in a program offered together with a community college or state university that accredits courses in the program.

### **§§ 5 & 6 — VOLUNTEER FIREFIGHTER LENGTH OF SERVICE AWARD PROGRAM**

#### **Overview**

The bill requires the State Retirement Commission to establish, in consultation with the Commission on Fire Prevention and Control and

state fire administrator, a LOSAP for eligible volunteer firefighters providing qualified services to a volunteer fire company or department. The program provides length of service awards up to a specified amount (currently \$7,500 and annually adjusted for inflation) for each year of service credit. The benefits vest after a participant has five years of service credit.

The State Retirement Commission must adopt implementing regulations in consultation with the Commission on Fire Prevention and Control and state fire administrator. The State Retirement Commission may contract with third parties to deliver program services.

The bill establishes a new trust fund, the Volunteer Firefighter LOSAP Trust Fund, which must be used to make the length of service award payments and pay the program's administrative expenses.

### ***Regulations***

By January 1, 2026, the State Retirement Commission, in consultation with the Commission on Fire Prevention and Control and state fire administrator, must adopt regulations to implement the program. The regulations must include provisions on the following:

1. earning service credits and determining award amounts, which may include a point-based system that requires that members earn points for responding to calls, attending meetings and trainings, and other factors;
2. documenting these earned credits, including a system allowing volunteer fire companies and departments to annually report members' service credits; and
3. contesting service credit determinations awarded to participants.

### ***Volunteer Firefighter LOSAP Trust Fund***

The bill establishes the Volunteer Firefighter LOSAP Trust Fund as a separate, nonlapsing fund that must contain any money the law requires and be held separately from other moneys, funds, and accounts. It

authorizes the fund to hold all deposits, gifts, grants, and donations from public or private sources, to allow it to carry out its purposes. The investment earnings credited to the fund's assets become part of the fund and any balance remaining at the end of any fiscal year is carried forward to the next year.

It extends to the fund the same oversight and investment requirements that state law sets for other state trust funds, including the Teachers' Pension Fund, the State Employees Retirement Fund, and the Connecticut Municipal Employees' Retirement Fund.

### ***Annual Reporting of Members' Service Credits***

Beginning by January 1, 2025, each volunteer fire company or department must annually submit to the State Retirement Commission (1) a list of eligible firefighters and (2) the amount of service credit each one earned with the department. They must do so as the commission prescribes.

### ***Eligible Firefighters***

***Bona Fide Volunteers and Qualified Service.*** Starting by April 1, 2026, the commission must annually determine which eligible firefighters satisfy the service credit requirements set by the program's regulations and the amount of credits applicable to each participant. An "eligible firefighter" is a firefighter who is:

1. a bona fide volunteer performing qualified service in a volunteer fire company or department; and
2. not otherwise earning credit for his or her qualified service in another LOSAP, municipal pension system, or other comparable program.

Under the bill, a "bona fide volunteer" is one who does not receive compensation for providing firefighting and prevention services, EMS, or ambulance services (i.e. "qualified service") except for the reimbursement of reasonable expenses incurred while performing these services, reasonable benefits, and nominal fees for the services. The bill's

definitions of “bona fide volunteer” and “qualified service” are tied to the federal rules for length of service award plans. Under federal law, a plan paying only length of service awards to bona fide volunteers or their beneficiaries is exempt from the rules and tax treatment for deferred compensation plans under federal law (26 U.S.C. § 457(e)).

**Eligible Service.** Participants must receive service credit for their service as an eligible firefighter before, on, and after July 1, 2025. Their service credits may not be forfeited.

**Participation Waivers.** Eligible firefighters may decline to participate in the program by filing an irrevocable waiver. The waiver must be signed by the firefighter and his or her volunteer fire company’s or department’s chief. The firefighter must file this waiver before he or she satisfies the service credit requirements to participate in the program.

#### ***Length of Service Awards Credited to Program Accounts***

Starting by July 1, 2025, the commission must annually determine which participants qualify for a length of service award based on the regulations’ service credit requirements and credit their program accounts in an amount set by the regulations. Under the bill, the “program account” is a separate account maintained for each participant that reflects the applicable contributions and forfeitures, investment income or loss, and administrative and investment expenses allocated to each participant and paid from the trust fund.

The award may not exceed the limit set under federal law’s special rules for length of service award plans. (The inflation-adjusted limit is \$7,500 for 2025.)

#### ***Vesting***

A participant’s accrued service award (i.e. the total value of his or her program account as of a given date) becomes vested once he or she has five years of service credit as determined under the regulations. If a participant has not been an eligible firefighter for 36 consecutive months and his or her accrued service award has not become vested, it is

forfeited and deposited in the trust fund.

***Payment of Accrued Service Awards***

The commission must pay a participant his or her accrued service award when the participant:

1. becomes vested and reaches the age of 65;
2. has 20 years of service credit, except as described below;
3. is vested and has not been an eligible firefighter for at least 36 consecutive months; or
4. is totally and permanently disabled as determined by the U.S. Social Security Administration, the Workers' Compensation Commission, or any other entity the State Retirement Commission approves.

Under the bill, a participant may file a written election with the State Retirement Commission before reaching 20 years of service credit to defer payment until he or she reaches age 65.

If a participant is paid his or her accrued service award and then qualifies for a length of service award at any other time under the bill's provisions and program regulations, the commission must pay the service award directly to the participant.

***Death Benefits***

Under the bill, if a participant dies before receiving his or her accrued service award or an additional length of service award for later service as described above, the commission must pay it to the participant's designated beneficiary. Participants must designate their beneficiaries on a commission-prescribed form.

**§ 7 — TASK FORCE TO STUDY FIREFIGHTER AND EMS SHORTAGE**

SA 23-1 established a 13-member task force to study and make recommendations to address the shortage of firefighters and EMS

personnel in Connecticut.

The bill extends certain dates for the task force, including when:

1. initial appointments must be made, to July 1, 2025;
2. the chairpersons must schedule and hold the first meeting, to August 1, 2025; and
3. the task force must terminate and submit its findings and recommendations to the Public Safety and Security Committee, to January 1, 2026.

### **§ 8 — MUNICIPAL REIMBURSEMENT OF FIREFIGHTER TRAINING COSTS**

The bill requires any municipality that hires a firefighter from another municipality within two years of the firefighter completing entry-level training to reimburse the initial hiring municipality 50% of the total training costs. This does not apply to a municipality that hires a firefighter two or more years after the firefighter completes entry-level training.

The bill applies to the cost of training, equipment and uniforms that were not returned, salary and fringe benefits, and other costs related to training for a firefighter's basic duties as determined by a fire school or municipality.

The bill's requirement does not affect any agreement for reimbursement between a firefighter or collective bargaining unit and a municipality entered into before July 1, 2025.

### **COMMITTEE ACTION**

Public Safety and Security Committee

Joint Favorable

Yea 29      Nay 0      (03/18/2025)