Senate

General Assembly

File No. 418

January Session, 2025

Substitute Senate Bill No. 9

Senate, April 2, 2025

The Committee on Environment reported through SEN. LOPES of the 6th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE ENVIRONMENT, CLIMATE AND SUSTAINABLE MUNICIPAL AND STATE PLANNING, AND THE USE OF NEONICOTINOIDS AND SECOND-GENERATION ANTICOAGULANT RODENTICIDES.

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

Section 1. (NEW) (*Effective July 1, 2026*) (a) At the time an individual applies for personal risk insurance, as defined in section 38a-663 of the general statutes, excluding private passenger nonfleet automobile insurance, an insurance producer or surplus lines broker shall disclose to the individual the availability of flood insurance coverage. Such disclosure shall be in writing and provide an explanation of the option to purchase flood insurance through the National Flood Insurance Program established by the National Flood Insurance Act of 1968 or insurers that provide private flood coverage. The producer or surplus lines broker shall obtain a written acknowledgment from the individual of receipt of such flood insurance disclosure and whether the individual declined to purchase flood insurance for the subject property.

(b) Each insurance company that delivers, issues for delivery or renews a personal risk insurance policy, as defined in section 38a-663 of the general statutes, excluding private passenger nonfleet automobile insurance, shall include on the declarations page of such policy the following notice, printed in capital letters and boldface type:

NOTICE:

FLOOD COVERAGE IS NOT PROVIDED UNDER THIS INSURANCE POLICY

Sec. 2. (NEW) (*Effective July 1, 2026*) (a) Not later than the date of closing in a mortgage loan transaction, each creditor, as defined in section 49-6a of the general statutes, shall notify the mortgage loan applicant, in writing, that: (1) Standard homeowners insurance policies do not cover flood damage and related losses; (2) flood damage to property may occur regardless of whether the real property is located in a designated flood zone; and (3) the applicant may wish to consult a licensed insurance producer or surplus lines broker concerning the availability and benefits of obtaining flood insurance.

(b) The notice required by subsection (a) of this section shall be written in plain language and signed and dated by the mortgage loan applicant to acknowledge receipt of such notice. Each creditor shall keep and maintain a copy of such notice with the mortgage loan applicant's mortgage records.

Sec. 3. (NEW) (*Effective July 1, 2025*) (a) Each person required to provide a written residential condition report in accordance with section 20-327b of the general statutes shall concomitantly complete and provide to the prospective purchaser a flood disclosure notice, as prescribed by the Commissioner of Consumer Protection in accordance with the provisions of subsection (b) of this section. Such flood disclosure notice required by this section shall be provided for transactions occurring on or after July 1, 2026.

(b) On or before June 15, 2026, the Commissioner of Consumer

Protection, in consultation with the Department of Energy and Environmental Protection, the Insurance Department, the Department of Housing, industry representatives and housing advocacy organizations, shall develop a flood disclosure notice, to be prepared in a format prescribed by the commissioner. Such notice shall include, but need not be limited to, the following: (1) Whether the property is located in a Federal Emergency Management Agency designated floodplain; (2) whether the property is located in whole or in part in the Special Flood Hazard Area according to the Federal Emergency Management Agency's current flood insurance rate maps for the area; (3) whether the property is located in whole or in part in a moderate risk flood hazard area; (4) whether the property is subject to any requirement under federal law to obtain and maintain flood insurance on the property; (5) whether the seller has received assistance, or is aware of any previous owners receiving assistance, from the Federal Emergency Management Agency, the United States Small Business Administration or any other federal or state disaster assistance for flood damage to the property; (6) whether there is flood insurance on the property; (7) whether there is a Federal Emergency Management Agency elevation certificate available; (8) whether the seller has ever filed a claim for flood damage to the property with any insurance provider, including the National Flood Insurance Program; (9) whether the structure has experienced any water penetration or damage due to seepage or a natural flood event; and (10) any other information required by the commissioner.

(c) Notwithstanding the provisions of subdivision (3) of subsection (b) of section 20-327b of the general statutes, transfers of newly constructed residential real property for which an implied warranty is provided under chapter 827 of the general statutes shall be subject to the provisions of this section. The seller shall provide the flood disclosure notice required by this section at the time such seller would have otherwise been required to provide the report described in section 20-327b of the general statutes had such exemption not existed.

Sec. 4. Section 20-327c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) On or after **[**January 1, 1996**]** July 1, 2026, every agreement to purchase residential real estate, for which a written residential condition report is, or written residential condition reports are, required pursuant to section 20-327b, or a flood disclosure notice is required pursuant to section 3 of this act, shall include a requirement that the seller credit the purchaser with the sum of five hundred dollars at closing should the seller fail to furnish the written residential condition report or reports as required by sections 20-327b to 20-327e, inclusive, or the flood disclosure report required by section 3 of this act.

(b) No seller who credits a purchaser pursuant to subsection (a) of this section shall, by reason of such credit, be excused from disclosing to the purchaser any defect in the residential real estate if such defect:

(1) Is subject to disclosure pursuant to section 20-327b or section 3 of this act;

(2) Is within the seller's actual knowledge of such residential real estate; and

(3) Significantly impairs (A) the value of such residential real estate, (B) the health or safety of future occupants of such residential real estate, or (C) the useful life of such residential real estate.

(c) A purchaser may, without limiting any other remedies available to the purchaser, bring a civil action in the judicial district in which the residential real estate is located to recover actual damages from a seller who fails to disclose to such purchaser any defect described in subsection (b) of this section.

Sec. 5. (NEW) (*Effective July 1, 2025*) (a) A landlord shall provide each tenant that leases real property from the landlord with a flood disclosure notice as prescribed by the Commissioner of Consumer Protection in accordance with subsection (b) of this section. The notice required by this section shall be provided for rental agreements executed or renewed on or after July 1, 2026, and shall be provided to the tenant prior to the execution or renewal of the rental agreement.

(b) On or before June 15, 2026, the Commissioner of Consumer Protection, in consultation with the Department of Energy and Environmental Protection, the Connecticut Insurance Department, the Department of Housing, industry representatives and housing advocacy organizations, shall develop a flood disclosure notice with respect to the rental of real property, to be prepared in a format prescribed by the commissioner. Such notice shall include, but need not be limited to, the following information for the leased premises: (1) Whether the leased premises are located in a Federal Emergency Management Agency designated floodplain; (2) whether the leased premises are located in whole or in part in the Special Flood Hazard Area according to the Federal Emergency Management Agency's current flood insurance rate maps for the area; (3) whether the leased premises are located in whole or in part in a moderate risk flood hazard area; (4) whether the leased premises are subject to any requirement under federal law to obtain and maintain flood insurance on the property; (5) whether the landlord, or any tenant of the landlord with respect to the leased premises, has received assistance, or is aware of any previous owners or tenants receiving assistance, from the Federal Emergency Management Agency, the United States Small Business Administration or any other federal or state disaster assistance for flood damage to the leased premises; (6) whether there is a Federal Emergency Management Agency elevation certificate available; (7) whether the landlord, or any tenant of the landlord with respect to the leased premises, has ever filed a claim for flood damage to the property with any insurer, including the National Flood Insurance Program; (8) whether the leased premises have experienced any flood damage, water seepage or pooled water due to a flood event and, if so, how many times; (9) whether the landlord has actual knowledge that the leased premises containing the rental premises has been subjected to flooding; and (10) any other information required by the commissioner.

(c) Every rental agreement for residential property in this state shall contain the following notice to tenants: "Flood insurance may be available to renters through FEMA's National Flood Insurance Program to cover your personal property and contents in the event of a flood. A

standard renter's insurance policy does not typically cover flood damage. You are encouraged to examine your policy to determine whether you are covered."

(d) For purposes of this section, "leased premises" means any portion of the property to which the tenant is granted access pursuant to the rental agreement, including, but not limited to, common areas and parking areas.

Sec. 6. Subsection (b) of section 22a-109 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(b) The zoning commission may by regulation exempt any or all of the following uses from the coastal site plan review requirements of this chapter: (1) Minor additions to or modifications of existing buildings or detached accessory buildings, such as garages and utility sheds; (2) construction of new or modification of existing structures incidental to the enjoyment and maintenance of residential property including but not limited to walks, terraces, elevated decks, driveways, swimming pools, tennis courts, docks and detached accessory buildings; (3) construction of new or modification of existing on-premise structures including fences, walls, pedestrian walks and terraces, underground utility connections, essential electric, gas, telephone, water and sewer service lines, signs and such other minor structures as will not substantially alter the natural character of coastal resources or restrict access along the public beach; **[**(4) construction of an individual single-family residential structure except when such structure is located on an island not connected to the mainland by an existing road bridge or causeway or except when such structure is in or within one hundred feet of the following coastal resource areas: Tidal wetlands, coastal bluffs and escarpments and beaches and dunes; (5)**]** (4) activities conducted for the specific purpose of conserving or preserving soil, vegetation, water, fish, shellfish, wildlife and other coastal land and water resources; **[**(6)**]** (5) interior modifications to buildings; and **[**(7)**]** (6) minor changes in use of a building, structure or property except those

changes occurring on property adjacent to or abutting coastal waters. Gardening, grazing and the harvesting of crops shall be exempt from the requirements of this chapter. Notwithstanding the provisions of this subsection, shoreline flood and erosion control structures as defined in subsection (c) of this section shall not be exempt from the requirements of this chapter.

Sec. 7. Subsection (d) of section 22a-109 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(d) A copy of each coastal site plan submitted for any shoreline flood and erosion control structure, any activity proposed within a FEMA-designated V, VE, A, AE or Limit of Moderate Wave Action (LiMWA) area, or any site that contains tidal wetlands, beaches or dunes shall be referred to the Commissioner of Energy and Environmental Protection within fifteen days of its receipt by the zoning commission or zoning board of appeals. The day of receipt shall be determined in accordance with subsection (c) of section 8-7d. The commissioner may comment on and make recommendations on such plans. Such comments and recommendations shall be submitted to the zoning commission or zoning board of appeals within thirty-five days of the date of receipt of the coastal site plan by the commissioner and shall be considered by the zoning commission or zoning board of appeals before final action on the plan. If the commissioner fails to comment on a plan within the thirty-five-day period or any extension granted by the zoning commission or zoning board of appeals, the zoning commission or zoning board of appeals may take final action on such plan. Failure to comment by the commissioner shall not be construed to be approval or disapproval.

Sec. 8. (NEW) (*Effective from passage*) For projects that have not begun construction by December 1, 2025, no state entity shall use state funds, from any source, and no recipient of state funds or a federal grant or loan provided through a state agency shall use any such money, from any source, to directly subsidize the construction of any new residential structure or reconstruction of a residential structure that increases the

finished habitable living space within a residential structure when such structure is located within the floodway or within the coastal high hazard areas, including Coastal AE, VE and V zones, and Limit of Moderate Wave Action (LiMWA) areas, as defined by the Federal Emergency Management Agency or on repetitive-loss properties, provided such prohibition shall not preclude reconstruction of any existing residential structure for the sole purpose of bringing the structure into Federal Emergency Management Agency compliance or work performed on an area of property that is outside of the floodway or the coastal high hazard areas, including Coastal AE, VE and V zones, and Limit of Moderate Wave Action (LiMWA) areas, as defined by the Federal Emergency Management Agency.

Sec. 9. Subsection (a) of section 25-68o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) (1) On and after October 1, 2019, in the preparation of any municipal evacuation plan or hazard mitigation plan, such municipality shall consider the most recent sea level change scenario updated pursuant to subsection (b) of this section.

(2) On and after October 1, 2025, any such municipal evacuation or hazard mitigation plan shall identify and address (A) threats to surface transportation, critical infrastructure and local land uses as a result of such sea level change, and (B) actions, strategies and capital projects to avoid or reduce the impacts and risks resulting from climate change, including, but not limited to, increased precipitation, flooding, sea level rise and extreme heat. Any such surface transportation, critical infrastructure, local land uses, actions, strategies and capital projects shall be identified in geospatial data, as applicable, in addition to being identified in such plan, and such data shall be made available to the Commissioner of Emergency Services and Public Protection, the Commissioner of Transportation and the Secretary of the Office of Policy and Management upon request. Such geospatial data shall be produced in the plane coordinate system, as described in section 13a-

255. Such work may be conducted on a regional basis.

Sec. 10. (NEW) (*Effective July 1, 2025*) On or before October 1, 2026, and annually thereafter, each municipality shall submit a geospatial data file of each culvert and bridge within the control and boundaries of such municipality to the regional council of governments of which it is a member in a form and manner prescribed by the Office of Policy and Management, in consultation with the Departments of Transportation and Energy and Environmental Protection. Such geospatial data shall be produced and provided in the plane coordinate system, as described in section 13a-255 of the general statutes. Such data file shall include, but need not be limited to, geospatial data pertaining to each culvert and bridge, the locational coordinates of each culvert and bridge, the age and dimensions of each culvert and bridge and any additional information deemed necessary by the Office of Policy and Management, in consultation with the Departments of Transportation and Energy and Environmental Protection. On or before December 1, 2026, and annually thereafter, each regional council of governments shall: (1) Submit such geospatial data file to the Secretary of the Office of Policy and Management, and (2) report each municipality that failed to provide such geospatial data file.

Sec. 11. Section 7-364 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

Upon the recommendation of the budget-making authority and approval by the legislative body, any part or the whole of such fund may be used for (1) capital and nonrecurring expenditures, but such use shall be restricted to the financing of all or part of the planning, construction, reconstruction or acquisition of any specific capital improvement, including, but not limited to, planning, construction, reconstruction or acquisition intended to increase the resiliency of a capital improvement against the impacts of climate change, including, but not limited to, increased precipitation, flooding, sea level rise and extreme heat, or the acquisition of any specific item of equipment, (2) costs associated with a property tax revaluation, and (3) costs associated

with the preparation, amendment or adoption of a plan of conservation and development pursuant to section 8-23, as amended by this act. Upon the approval of any such expenditure, an appropriation shall be set up, plainly designated for the project, acquisition, revaluation or plan of conservation and development for which it has been authorized, and such unexpended appropriation may be continued until such project, acquisition, revaluation or plan of conservation and development is completed. Any unexpended portion of such appropriation remaining after such completion shall revert to said reserve fund.

Sec. 12. Subsection (a) of section 13a-175a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) For each fiscal year there shall be allocated twelve million five hundred thousand dollars out of the funds appropriated to the Department of Transportation, or from any other source, not otherwise prohibited by law, to be used by the towns (1) for the construction, reconstruction, improvement **[**or**]** and maintenance of highways, sections of highways, bridges **[**or**]** and structures incidental to highways and bridges, **[**or the improvement thereof,**]** including (A) construction, reconstruction, improvements and maintenance intended to increase resiliency against increased precipitation, flooding, sea level rise and extreme heat, and (B) the plowing of snow, the sanding of icy pavements, the trimming and removal of trees, the installation, replacement and maintenance of traffic signs, signals and markings, (2) for traffic control and vehicular safety programs, traffic and parking planning and administration, and other purposes and programs related to highways, traffic and parking, and (3) for the purposes of providing and operating essential public transportation services and related facilities.

Sec. 13. Subsections (d) to (f), inclusive, of section 8-23 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(d) In preparing such plan, the commission or any special committee shall consider the following: (1) The community development action plan of the municipality, if any, (2) the need for affordable housing, (3) the need for protection of existing and potential public surface and ground drinking water supplies, (4) the use of cluster development and other development patterns to the extent consistent with soil types, terrain and infrastructure capacity within the municipality, (5) the state plan of conservation and development adopted pursuant to chapter 297, (6) the regional plan of conservation and development adopted pursuant to section 8-35a, as amended by this act, (7) physical, social, economic and governmental conditions and trends, (8) the needs of the municipality including, but not limited to, human resources, education, health, housing, recreation, social services, public utilities, public protection, transportation and circulation and cultural and interpersonal communications, (9) the objectives of energy-efficient patterns of development, the use of solar and other renewable forms of energy and energy conservation, (10) protection and preservation of agriculture, (11) the most recent sea level change scenario updated pursuant to subsection (b) of section 25-68o, **[**and**]** (12) the need for technology infrastructure in the municipality, and (13) for any such plan adopted on or after October 1, 2026, the most recent hazard and climate projections established by federal and state authorities, including, but not limited to, the National Oceanic and Atmospheric Administration, the Federal Emergency Management Agency, the United States Environmental Protection Agency and The University of Connecticut.

(e) (1) **[**Such**]** Any such plan of conservation and development adopted prior to October 1, 2026, shall (A) be a statement of policies, goals and standards for the physical and economic development of the municipality, (B) provide for a system of principal thoroughfares, parkways, bridges, streets, sidewalks, multipurpose trails and other public ways as appropriate, (C) be designed to promote, with the greatest efficiency and economy, the coordinated development of the municipality and the general welfare and prosperity of its people and identify areas where it is feasible and prudent (i) to have compact, transit accessible, pedestrian-oriented mixed use development patterns

and land reuse, and (ii) to promote such development patterns and land reuse, (D) recommend the most desirable use of land within the municipality for residential, recreational, commercial, industrial, conservation, agricultural and other purposes and include a map showing such proposed land uses, (E) recommend the most desirable density of population in the several parts of the municipality, (F) note any inconsistencies with the following growth management principles: (i) Redevelopment and revitalization of commercial centers and areas of mixed land uses with existing or planned physical infrastructure; (ii) expansion of housing opportunities and design choices to accommodate a variety of household types and needs; (iii) concentration of development around transportation nodes and along major transportation corridors to support the viability of transportation options and land reuse; (iv) conservation and restoration of the natural environment, cultural and historical resources and existing farmlands; (v) protection of environmental assets critical to public health and safety; and (vi) integration of planning across all levels of government to address issues on a local, regional and state-wide basis, (G) make provision for the development of housing opportunities, including opportunities for multifamily dwellings, consistent with soil types, terrain and infrastructure capacity, for all residents of the municipality and the planning region in which the municipality is located, as designated by the Secretary of the Office of Policy and Management under section 16a-4a, (H) promote housing choice and economic diversity in housing, including housing for both low and moderate income households, and encourage the development of housing which will meet the housing needs identified in the state's consolidated plan for housing and community development prepared pursuant to section 8-37t and in the housing component and the other components of the state plan of conservation and development prepared pursuant to chapter 297, and (I) consider allowing older adults and persons with a disability the ability to live in their homes and communities whenever possible. Such plan may: (i) Permit home sharing in single-family zones between up to four adult persons of any age with a disability or who are sixty years of age or older, whether or not related, who receive

supportive services in the home; (ii) allow accessory apartments for persons with a disability or persons sixty years of age or older, or their caregivers, in all residential zones, subject to municipal zoning regulations concerning design and long-term use of the principal property after it is no longer in use by such persons; and (iii) expand the definition of "family" in single-family zones to allow for accessory apartments for persons sixty years of age or older, persons with a disability or their caregivers. In preparing such plan the commission shall consider focusing development and revitalization in areas with existing or planned physical infrastructure.

(2) Any such plan of conservation and development adopted on or after October 1, 2026, shall (A) be a statement of policies, goals and standards for the physical and economic development of the municipality; (B) provide for a system of principal thoroughfares, parkways, bridges, streets, sidewalks, multipurpose trails and other public ways as appropriate; (C) be designed to promote, with the greatest efficiency and economy, the coordinated development of the municipality and the general welfare and prosperity of its people and identify areas where it is feasible and prudent (i) to have compact, transit-accessible, pedestrian-oriented mixed use development patterns and land reuse, and (ii) to promote such development patterns and land reuse; (D) (i) include a climate change vulnerability assessment, based on information from sources described in section 13 of this act, which shall consist of an assessment of existing and anticipated threats to and vulnerabilities of the municipality that are associated with natural disasters, hazards and climate change, including, but not limited to, increased temperatures, drought, flooding, wildfire, storm damage and sea level rise, and the impacts such disasters and hazards may have on individuals, communities, institutions, businesses, economic development, public infrastructure and facilities, public health, safety and welfare, (ii) identify goals, policies and techniques to avoid or reduce such threats, vulnerabilities and impacts, and (iii) include a statement describing any consistencies and inconsistencies identified between such assessment and any existing or proposed municipal natural hazard mitigation plan, floodplain management plan,

comprehensive emergency operations plan, emergency response plan, post-disaster recovery plan, long-range transportation plan or capital improvement plan in the municipality, and identify and recommend, where necessary, the integration of data from such assessment into any such plans and any actions necessary to achieve consistency and coordination between such assessment and any such plans; (E) recommend the most desirable use of land within the municipality for residential, recreational, commercial, industrial, conservation, agricultural and other purposes and include a map showing such proposed land uses which considers the threats, vulnerabilities and impacts identified in the climate change vulnerability assessment conducted pursuant to subparagraph (D)(i) of this subdivision; (F) recommend the most desirable density of population in the several parts of the municipality; (G) note any inconsistencies with the following growth management principles: (i) Redevelopment and revitalization of commercial centers and areas of mixed land uses with existing or planned physical infrastructure; (ii) expansion of housing opportunities and design choices to accommodate a variety of household types and needs; (iii) concentration of development around transportation nodes and along major transportation corridors to support the viability of transportation options and land reuse and reduction of vehicle mileage; (iv) conservation and restoration of the natural environment, cultural and historical resources and existing farmlands; (v) protection of environmental assets critical to public health and safety; and (vi) integration of planning across all levels of government to address issues on a local, regional and state-wide basis; (H) make provision for the development of housing opportunities, including opportunities for multifamily dwellings, consistent with soil types, terrain and infrastructure capacity, for all residents of the municipality and the planning region in which the municipality is located, as designated by the Secretary of the Office of Policy and Management pursuant to section 16a-4a; (I) promote housing choice and economic diversity in housing, including housing for both low and moderate income households, and encourage the development of housing which will meet the housing needs identified in the state's consolidated plan for

housing and community development prepared pursuant to section 8-37t and in the housing component and the other components of the state plan of conservation and development prepared pursuant to chapter 297; (J) consider allowing older adults and persons with disabilities the ability to live in their homes and communities whenever possible; (K) identify infrastructure, including, but not limited to, facilities, public utilities and roadways, that is critical for evacuation purposes and sustaining quality of life during a natural disaster, and that shall be maintained at all times in an operational state; (L) identify strategies and design standards that may be implemented to avoid or reduce risks associated with natural disasters, hazards and climate change; and (M) include geospatial data utilized in preparing such plan or that is necessary to convey information in such plan. Any such plan may: (i) Permit home sharing in single-family zones between up to four adult persons of any age with a disability or who are sixty years of age or older, whether or not related, who receive supportive services in the home; (ii) allow accessory apartments for persons with a disability or persons sixty years of age or older, or their caregivers, in all residential zones, subject to municipal zoning regulations concerning design and long-term use of the principal property after it is no longer in use by such persons; (iii) expand the definition of "family" in single-family zones to allow for accessory apartments for persons sixty years of age or older, persons with a disability or their caregivers; and (iv) identify one or more areas that are vulnerable to the impacts of climate change for the purpose of prioritizing funding for infrastructure needs and resiliency planning. In preparing such plan the commission shall consider focusing development and revitalization in areas with existing or planned physical infrastructure. The commission or any special committee may utilize information and data from any natural hazard mitigation plan, floodplain management plan, comprehensive emergency operations plan, emergency response plan, post-disaster recovery plan, long-range transportation plan, climate vulnerability assessment or resilience plan in the preparation of such plan of conservation and development, including a document coordinated by the applicable regional council of governments, provided such

information and data shall not be incorporated by reference, but summarized and applied in such plan to the specific policies, goals and standards of the subject municipality.

[(2)**]** (3) For any municipality that is contiguous to Long Island Sound, such plan shall be (A) consistent with the municipal coastal program requirements of sections 22a-101 to 22a-104, inclusive, (B) made with reasonable consideration for restoration and protection of the ecosystem and habitat of Long Island Sound, and (C) designed to reduce hypoxia, pathogens, toxic contaminants and floatable debris in Long Island Sound.

(f) Such plan may show the commission's and any special committee's recommendation for (1) conservation and preservation of traprock and other ridgelines, (2) airports, parks, playgrounds and other public grounds, (3) the general location, relocation and improvement of schools and other public buildings, (4) the general location and extent of public utilities and terminals, whether publicly or privately owned, for water, light, power, transit and other purposes, (5) the extent and location of public housing projects, (6) programs for the implementation of the plan, including (A) a schedule, (B) a budget for public capital projects, (C) a program for enactment and enforcement of zoning and subdivision controls, building and housing codes and safety regulations, (D) plans for implementation of affordable housing, (E) plans for open space acquisition and greenways protection and development, and (F) plans for corridor management areas along limited access highways or rail lines, designated under section 16a-27, as amended by this act, (7) proposed priority funding areas, (8) a land use program that will promote the reduction and avoidance of risks associated with natural disasters, hazards and climate change, including, but not limited to, increased temperatures, drought, flooding, wildfire, hurricanes and sea level rise, (9) a program for the transfer of development rights, which establishes criteria for sending and receiving sites and technical details for the program consistent with the provisions of section 8-2e, as amended by this act, (10) identification of resiliency improvement districts, as defined in section 23 of this act, and **[**(8)**]** (11)

any other recommendations as will, in the commission's or any special committee's judgment, be beneficial to the municipality. The plan may include any necessary and related maps, explanatory material, photographs, charts or other pertinent data and information relative to the past, present and future trends of the municipality.

Sec. 14. Subsection (i) of section 8-23 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(i) (1) After completion of the public hearing, the commission may revise the plan and may adopt the plan or any part thereof or amendment thereto by a single resolution or may, by successive resolutions, adopt parts of the plan and amendments thereto.

(2) Any plan, section of a plan or recommendation in the plan that is not endorsed in the report of the legislative body or, in the case of a municipality for which the legislative body is a town meeting or representative town meeting, by the board of selectmen, of the municipality may only be adopted by the commission by a vote of not less than two-thirds of all the members of the commission.

(3) Upon adoption by the commission, any plan or part thereof or amendment thereto shall become effective at a time established by the commission, provided notice thereof shall be published in a newspaper having a general circulation in the municipality prior to such effective date.

(4) Not more than thirty days after adoption, any plan or part thereof or amendment thereto shall be posted on the Internet web site of the municipality, if any, and shall be filed in the office of the town clerk, except that, if it is a district plan or amendment, it shall be filed in the offices of both the district and town clerks.

(5) Not more than sixty days after adoption of the plan, the commission shall submit a copy of the plan<u>, including geospatial data required pursuant to subparagraph (M) of subdivision (2) of subsection (e) of this section,</u> to the Secretary of the Office of Policy and

Management [and] in a form and manner prescribed by the secretary. The commission shall include with such copy a description of any [inconsistency] inconsistencies between the plan adopted by the commission and the regional plan of conservation and development applicable to the municipality and the state plan of conservation and development and the reasons [therefor] for any such inconsistencies.

Sec. 15. Subsections (a) and (b) of section 8-35a of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) At least once every ten years, each regional council of governments shall make a plan of conservation and development for its area of operation, showing its recommendations for the general use of the area including land use, housing, principal highways and freeways, bridges, airports, parks, playgrounds, recreational areas, schools, public institutions, public utilities, agriculture and such other matters as, in the opinion of the council, will be beneficial to the area. Any regional plan so developed shall be based on studies of physical, social, economic and governmental conditions and trends and shall be designed to promote with the greatest efficiency and economy the coordinated development of its area of operation and the general welfare and prosperity of its people. Such plan may encourage resilient and energy-efficient patterns of development, land use strategies to reduce the impacts of climate change, the use of solar and other renewable forms of energy, and energy conservation. Such plan shall be designed to promote abatement of the pollution of the waters and air of the region. Such plan shall consider the need for technology infrastructure in the region. The regional plan shall identify areas where it is feasible and prudent (1) to have compact, transit accessible, pedestrian-oriented mixed use development patterns and land reuse, and (2) to promote such development patterns and land reuse and shall note any inconsistencies with the following growth management principles: (A) Redevelopment and revitalization of regional centers and areas of mixed land uses with existing or planned physical infrastructure; (B) expansion of housing opportunities and design choices to accommodate a variety of

household types and needs; (C) concentration of development around transportation nodes and along major transportation corridors to support the viability of transportation options and land reuse; (D) conservation and restoration of the natural environment, cultural and historical resources and traditional rural lands; (E) protection of environmental assets or ecosystem services critical to public health and safety; and (F) integration of planning across all levels of government to address issues on a local, regional and state-wide basis. The plan of each region contiguous to Long Island Sound shall be designed to reduce hypoxia, pathogens, toxic contaminants and floatable debris in Long Island Sound. For plans adopted on or after October 1, 2025, such plan shall (i) demonstrate consistency with the regional long-range transportation plan and the regional summary of the hazard mitigation plan in the case of a multijurisdiction hazard mitigation plan, and (ii) identify critical facilities in the region and include geospatial data relative to such facilities. Such geospatial information shall indicate location, address and general function of the infrastructure.

(b) Before adopting the regional plan of conservation and development or any part thereof or amendment thereto the regional council of governments shall hold at least one public hearing thereon, notice of the time, place and subject of which shall be given in writing to the chief executive officer and planning commission, where one exists, of each member town, city or borough. Notice of the time, place and subject of such hearing shall be published once in a newspaper having a substantial circulation in the region. Such notices shall be given not more than twenty days or less than ten days before such hearing. At least sixty-five days before the public hearing the regional council of governments shall post the plan on the Internet web site of the council, if any, and submit the plan to the Secretary of the Office of Policy and Management for findings in the form of comments and recommendations. By October 1, 2011, the secretary shall establish, by regulations adopted in accordance with the provisions of chapter 54, criteria for such findings which shall include procedures for a uniform review of regional plans of conservation and development to determine if a proposed regional plan of conservation and development is not

inconsistent with the state plan of conservation and development and the state economic strategic plan. The regional council of governments shall note on the record any inconsistency with the state plan of conservation and development and the reasons for such inconsistency. Adoption of the plan or part thereof or amendment thereto shall be made by the affirmative vote of not less than a majority of the representatives on the council. The plan shall be posted on the Internet web site of the council, if any, and a copy of the plan or of any amendments thereto, signed by the chairman of the council, shall be transmitted to the chief executive officers, the town, city or borough clerks, as the case may be, and to planning commissions, if any, in member towns, cities or boroughs, and to the Secretary of the Office of Policy and Management, or his or her designee. The geospatial data developed pursuant to subsection (a) of this section shall be made available to the Commissioner of Emergency Services and Public Protection, the Commissioner of Transportation or the Secretary of the Office of Policy and Management upon request. The regional council of governments shall notify the Secretary of the Office of Policy and Management of any inconsistency with the state plan of conservation and development and the reasons therefor.

Sec. 16. Subsection (h) of section 16a-27 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(h) (1) Any revision made after October 1, 2019, and until the adoption of the state plan of conservation and development for 2025 to 2030, shall **[**(1)**]** (A) take into consideration risks associated with increased coastal flooding and erosion, depending on site topography, as anticipated in the most recent sea level change scenario updated pursuant to subsection (b) of section 25-68o, **[**(2)**]** (B) identify the impacts of such increased flooding and erosion on infrastructure and natural resources, **[**(3)**]** (C) make recommendations for the siting of future infrastructure and property development to minimize the use of areas prone to such flooding and erosion, and **[**(4)**]** (D) take into consideration the state's greenhouse gas reduction goals established pursuant to

section 22a-200a.

(2) Any revision made after the adoption of the state plan of conservation and development for 2025 to 2030 shall (A) take into consideration risks associated with (i) changes to the rate and timing of annual precipitation and increased average temperatures resulting in extreme heat, and (ii) increased flooding and erosion, depending on site topography, as anticipated in the most recent sea level change scenario updated pursuant to subsection (b) of section 25-68o, and by other sources as deemed appropriate by the Secretary of the Office of Policy and Management, (B) identify the impacts of extreme heat, drought and increased flooding and erosion on infrastructure and natural resources, (C) make recommendations for the siting of future infrastructure and property development to minimize the use of areas prone to such flooding and erosion, (D) make recommendations for land use strategies that minimize risks to public health, infrastructure and the environment, and (E) take into consideration the state's greenhouse gas reduction goals established pursuant to section 22a-200a.

Sec. 17. Section 28-5 of the general statutes is amended by adding subsection (h) as follows (*Effective July 1, 2025*):

(NEW) (h) On and after October 1, 2028, the state civil preparedness plan and program established pursuant to subsection (b) of this section shall consider observed and projected climate trends relating to extreme weather events, drought, coastal and inland flooding, storm surge, wildfire, extreme heat and any other hazards deemed relevant by the commissioner.

Sec. 18. Subsections (b) and (c) of section 8-2 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(b) Zoning regulations adopted pursuant to subsection (a) of this section shall:

(1) Be made in accordance with a comprehensive plan and in

consideration of the plan of conservation and development adopted under section 8-23, as amended by this act;

(2) Be designed to (A) lessen congestion in the streets; (B) secure safety from fire, panic, flood and other dangers; (C) promote health and the general welfare; (D) provide adequate light and air; (E) protect the state's historic, tribal, cultural and environmental resources; (F) facilitate the adequate provision for transportation, water, sewerage, schools, parks and other public requirements; (G) consider the impact of permitted land uses on contiguous municipalities and on the planning region, as defined in section 4-124i, in which such municipality is located; (H) address significant disparities in housing needs and access to educational, occupational and other opportunities; (I) promote efficient review of proposals and applications; and (J) affirmatively further the purposes of the federal Fair Housing Act, 42 USC 3601 et seq., as amended from time to time;

(3) Be drafted with reasonable consideration as to the physical site characteristics of the district and its peculiar suitability for particular uses and with a view to encouraging the most appropriate use of land throughout a municipality;

(4) Provide for the development of housing opportunities, including opportunities for multifamily dwellings, consistent with soil types, terrain and infrastructure capacity, for all residents of the municipality and the planning region in which the municipality is located, as designated by the Secretary of the Office of Policy and Management under section 16a-4a;

(5) Promote housing choice and economic diversity in housing, including housing for both low and moderate income households;

(6) Expressly allow the development of housing which will meet the housing needs identified in the state's consolidated plan for housing and community development prepared pursuant to section 8-37t and in the housing component and the other components of the state plan of conservation and development prepared pursuant to section 16a-26;

(7) Be made with reasonable consideration for the impact of such regulations on agriculture, as defined in subsection (q) of section 1-1;

(8) Provide that proper provisions be made for soil erosion and sediment control pursuant to section 22a-329;

(9) Be made with reasonable consideration for the protection of existing and potential public surface and ground drinking water supplies; **[**and**]**

(10) In any municipality that is contiguous to or on a navigable waterway draining to Long Island Sound, (A) be made with reasonable consideration for the restoration and protection of the ecosystem and habitat of Long Island Sound; (B) be designed to reduce hypoxia, pathogens, toxic contaminants and floatable debris on Long Island Sound; and (C) provide that such municipality's zoning commission consider the environmental impact on Long Island Sound coastal resources, as defined in section 22a-93, of any proposal for development; and

(11) Provide that proper provisions be made to mitigate and avoid potential negative impacts to public health, public welfare and the environment, due to sea level change, in consideration of the most recent sea level change scenario updated pursuant to section 25-68o, as amended by this act.

(c) Zoning regulations adopted pursuant to subsection (a) of this section may:

(1) To the extent consistent with soil types, terrain and water, sewer and traffic infrastructure capacity for the community, provide for or require cluster development, as defined in section 8-18;

(2) Be made with reasonable consideration for the protection of historic factors;

(3) Require or promote (A) energy-efficient patterns of development; (B) the use of distributed generation or freestanding solar, wind and

other renewable forms of energy; (C) combined heat and power; **[**and**]** (D) energy conservation; and (E) resilience, as defined in section 16-243y, including, but not limited to, risks related to extreme heat, drought or prolonged or intense exposure to precipitation;

(4) Provide for incentives for developers who use (A) solar and other renewable forms of energy; (B) combined heat and power; (C) water conservation, including demand offsets; **[**and**]** (D) energy conservation techniques, including, but not limited to, cluster development, higher density development and performance standards for roads, sidewalks and underground facilities in the subdivision; and (E) flood-risk reduction building methods;

(5) Provide for a municipal or regional system for the creation of development rights and the permanent transfer of such development rights, which may include a system for the variance of density limits in connection with any such transfer;

(6) Provide for notice requirements in addition to those required by this chapter;

(7) Provide for conditions on operations to collect spring water or well water, as defined in section 21a-150, including the time, place and manner of such operations;

(8) Provide for floating zones, overlay zones and planned development districts;

(9) Require estimates of vehicle miles traveled and vehicle trips generated in lieu of, or in addition to, level of service traffic calculations to assess (A) the anticipated traffic impact of proposed developments; and (B) potential mitigation strategies such as reducing the amount of required parking for a development or requiring public sidewalks, crosswalks, bicycle paths, bicycle racks or bus shelters, including off-site; **[**and**]**

(10) In any municipality where a traprock ridge or an amphibolite ridge is located, (A) provide for development restrictions in ridgeline

setback areas; and (B) restrict quarrying and clear cutting, except that the following operations and uses shall be permitted in ridgeline setback areas, as of right: (i) Emergency work necessary to protect life and property; (ii) any nonconforming uses that were in existence and that were approved on or before the effective date of regulations adopted pursuant to this section; and (iii) selective timbering, grazing of domesticated animals and passive recreation; and

(11) Provide for sending and receiving sites in conjunction with any transfer of development rights program established pursuant to section 8-2e, as amended by this act.

Sec. 19. Subsection (b) of section 8-1a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) As used in this chapter:

(1) "Accessory apartment" means a separate dwelling unit that (A) is located on the same lot as a principal dwelling unit of greater square footage, (B) has cooking facilities, and (C) complies with or is otherwise exempt from any applicable building code, fire code and health and safety regulations;

(2) "Affordable accessory apartment" means an accessory apartment that is subject to binding recorded deeds which contain covenants or restrictions that require such accessory apartment be sold or rented at, or below, prices that will preserve the unit as housing for which, for a period of not less than ten years, persons and families pay thirty per cent or less of income, where such income is less than or equal to eighty per cent of the median income;

(3) "As of right" or "as-of-right" means able to be approved in accordance with the terms of a zoning regulation or regulations and without requiring that a public hearing be held, a variance, special permit or special exception be granted or some other discretionary zoning action be taken, other than a determination that a site plan is in

conformance with applicable zoning regulations;

(4) "Cottage cluster" means a grouping of at least four detached housing units, or live work units, per acre that are located around a common open area;

(5) "Live work unit" means a building or a space within a building used for both commercial and residential purposes by an individual residing within such building or space;

(6) "Middle housing" means duplexes, triplexes, quadplexes, cottage clusters and townhouses;

(7) "Mixed-use development" means a development containing both residential and nonresidential uses in any single building; **[**and**]**

(8) "Townhouse" means a residential building constructed in a grouping of three or more attached units, each of which shares at least one common wall with an adjacent unit and has exterior walls on at least two sides;

(9) "Receiving site" means one or more designated sites or areas of land to which development rights generated from one or more sending sites may be transferred and in which increased development is permitted to occur by reason of such transfer; and

(10) "Sending site" means one or more designated sites or areas of land in which development rights are designated for use in one or more receiving sites.

Sec. 20. Section 8-2e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) Any two or more municipalities which have adopted the provisions of this chapter or chapter 125a or which are exercising zoning power pursuant to any special act may, with the approval of the legislative body of each municipality, execute an agreement providing for a system of development rights and the transfer of development

rights across the boundaries of the municipalities which are parties to the agreement. Such system shall be implemented in a manner approved by the legislative body of each municipality and by the commission or other body which adopts zoning regulations of each municipality. Such agreement may provide that such system be administered by a regional council of governments or other agency.

(b) Any two or more municipalities that have executed an agreement pursuant to subsection (a) of this section may, by interlocal agreement, establish a transfer of development rights bank. Each such interlocal agreement shall (1) identify the receiving site, (2) include the local legislation governing development rights that has been adopted or is intended to be adopted by the municipality or municipalities in which the receiving site is located, (3) describe procedures for the termination of the transfer of development rights bank, and (4) describe the conversion ratio to be used in the receiving site, which may express the extent of additional development rights in any combination of units, floor area, height or other applicable development standards that may be modified by the municipality to provide incentives for the purchase of development rights.

(c) Each receiving site identified pursuant to subsection (b) of this section shall (1) be eligible for connection with a public water system, (2) be located not more than one-half mile from public transportation facilities, as defined in section 13b-79kk, (3) not be located within the boundaries of core forest, as defined in section 16a-3k, (4) not be located within the boundaries of any area impacted by the most recent sea level change scenario updated pursuant to subsection (b) of section 25-68o, and (5) be located above the five-hundred-year flood elevation.

(d) Eligible sending sites may include, but need not be limited to, (1) core forest, as defined in section 16a-3k, (2) land classified as farm land in accordance with section 12-107c, (3) agricultural land, as defined in section 22-3, (4) areas identified as containing habitat for endangered or threatened species pursuant to (A) federal law, (B) section 26-306 or 26-308, or (C) a written determination of the United States Fish and Wildlife

Service or a state and federally recognized tribe that such area is appropriate for the preservation of endangered or threatened species habitat, and (5) areas within the boundaries of any area impacted by the most recent sea level change scenario updated pursuant to subsection (b) of section 25-68o, or a floodplain, as defined in section 25-68i.

Sec. 21. (NEW) (*Effective July 1, 2025*) Notwithstanding the provisions of section 22a-352 of the general statutes, the Water Planning Council, as established pursuant to section 25-33o of the general statutes, shall, in undertaking the next periodic update to the state water plan in accordance with section 22a-352 of the general statutes: (1) Consider the potential impact of climate change on the quality of water resources, (2) take into account past conditions and predictions of future temperatures and precipitation when identifying the quantities and qualities of water that are available for public water supply, health, economic, recreation and environmental benefits on a regional basin scale considering both surface water and groundwater, and (3) include recommendations and an implementation plan to reduce impacts from climate change and extreme weather events on water quality and quantity.

Sec. 22. (NEW) (*Effective July 1, 2025*) (a) Not later than December 31, 2028, and every ten years thereafter, the Departments of Public Health and Energy and Environmental Protection and the Public Utilities Regulatory Authority shall each review their regulations pertaining to water supply and, in accordance with the provisions of chapter 54 of the general statutes, revise such regulations to incorporate the most concurrent projections on precipitation, temperature or other applicable conditions that could impact water quality, quantity and distribution.

(b) Not later than December 31, 2028, and every ten years thereafter, the Departments of Public Health and Energy and Environmental Protection shall each review and revise their permitting processes for sewage disposal systems, and any attendant regulations, in accordance with the provisions of chapter 54 of the general statutes, to incorporate the most concurrent projections on precipitation, flooding, sea level rise or other applicable conditions that could impact public safety and

environmental quality.

Sec. 23. (NEW) (*Effective July 1, 2025*) As used in this section and sections 24 to 32, inclusive, of this act, unless the context otherwise requires:

(1) "Captured assessed value" means the amount, as a percentage or stated sum, of increased assessed value that is utilized from year to year to finance project costs pursuant to the district master plan.

(2) "Clean energy project" means a renewable energy project that utilizes Class I renewable sources, as defined in section 16-1 of the general statutes.

(3) "Current assessed value" means the assessed value of all taxable real property within a resiliency improvement district as of October first of each year that the resiliency improvement district remains in effect.

(4) "District master plan" means a statement of means and objectives prepared by the municipality, or two or more municipalities acting jointly under an interlocal agreement, relating to a resiliency improvement district that is designed to (A) reduce the risk of, or exposure to, extreme events, hazards and the effects of climate change, (B) support economic development, (C) provide housing opportunities in existing residential areas, (D) improve or broaden the tax base, and (E) construct or improve the physical facilities and structures necessary for resilience projects, environmental infrastructure or clean energy projects, or any combination thereof, as described in section 28 of this act.

(5) "Environmental infrastructure" has the same meaning as provided in section 16-245n of the general statutes.

(6) "Financial plan" means a statement of the project costs and sources of revenue required to accomplish the district master plan.

(7) "Increased assessed value" means the valuation amount by which the current assessed value of a resiliency improvement district exceeds

the original assessed value of the resiliency improvement district. If the current assessed value is equal to or less than the original assessed value, there is no increased assessed value.

(8) "Increased savings" means the valuation amount by which the current cost of any existing insurance premium, or other premium, surcharge or other fee identified within the resiliency improvement district may be reduced after the implementation of such district, resulting in a monetary savings to a resident of, or a business located in, such district.

(9) "Joint resiliency improvement district" means a resiliency improvement district established by two or more contiguous municipalities that have entered into an interlocal agreement in accordance with sections 7-339a to 7-339*l*, inclusive, of the general statutes.

(10) "Maintenance and operation" means all activities necessary to maintain facilities after they have been developed and all activities necessary to operate such facilities, including, but not limited to, informational, promotional and educational programs and safety and surveillance activities.

(11) "Municipality" means a town, city, borough, consolidated town and city or consolidated town and borough.

(12) "Original assessed value" means the assessed value of all taxable real property within a resiliency improvement district as of October first of the tax year preceding the year in which the resiliency improvement district was established by the legislative body of a municipality.

(13) "Project costs" means any expenditures or monetary obligations incurred or expected to be incurred that are authorized by section 28 of this act and included in a district master plan.

(14) "Resilience" has the same meaning as provided in section 16-243y of the general statutes.

(15) "Resilience project" means a project, including a capital project, that is designed and implemented to address climate change mitigation, adaptation or resilience, including, but not limited to, the following:

(A) A project that mitigates the effects of river, bay or sea level rise, or rising groundwater, including wetlands or marsh restoration, riparian buffers, vegetated dunes, living shorelines, erosion control, road elevation, levees or other flood structures;

(B) A project that mitigates the effects of extreme heat or the urban heat island effect, including increasing shade, deploying building and surface materials designed to reflect or absorb less heat, using pavement materials designed to reflect or absorb less heat, constructing, improving or modifying new or existing facilities or increasing access to cooling opportunities;

(C) A project that mitigates the effects of drought, including the repurposing of land for multiple uses, the reduction of impervious surfaces, groundwater replenishment or groundwater storage or a combination of such uses; or

(D) A project intended to reduce the risk of flooding, including structure elevation or relocation, wetlands restoration, flood easements or bypasses, riparian buffers or levees.

(16) "Tax increment" means real property taxes assessed by a municipality upon the increased assessed value of property in the resiliency improvement district.

(17) "Resiliency improvement district" means an area wholly within the corporate limits of one or more municipalities that has been established and designated as such pursuant to section 24 of this act and that is to be developed in accordance with a district master plan.

(18) "Tax year" means the period of time beginning on July first and ending on the succeeding June thirtieth.

Sec. 24. (NEW) (*Effective July 1, 2025*) (a) Any municipality may, by

vote of its legislative body, establish a resiliency improvement district located wholly within the boundaries of such municipality in accordance with the requirements of this section and sections 25 to 32, inclusive, of this act. If a municipality is governed by a home rule charter, and such charter prohibits the establishment of a resiliency improvement district, such municipality shall not establish such district. Except as provided in subsection (d) of this section, the establishment of a resiliency improvement district approved by such municipality shall be effective upon the concurrent approval of such district and the adoption of a district master plan pursuant to section 26 of this act.

(b) Within a resiliency improvement district, and consistent with the district master plan, the municipality, in addition to powers granted to such municipality under the Constitution of the state of Connecticut, the general statutes, the provisions of any special act or sections 25 to 32, inclusive, of this act, shall have the following powers:

(1) To acquire, construct, reconstruct, improve, preserve, alter, extend, operate or maintain property or promote development intended to meet the objectives of the district master plan. The municipality may acquire property, land or easements through negotiation or by other means authorized for any municipality under the general statutes;

(2) To execute and deliver contracts, agreements and other documents relating to the operation and maintenance of the resiliency improvement district;

(3) To issue bonds and other obligations of the municipality in accordance with the provisions set forth in section 30 of this act;

(4) Acting through its board of selectmen, town council or other governing body of such municipality, to enter into written agreements with a taxpayer that fixes the assessment of real property located within a resiliency improvement district, provided (A) the term of such agreement shall not exceed thirty years from the date of the agreement; and (B) the agreed assessment for such real property plus future improvements shall not be less than the assessment of the real property

as of the last regular assessment date without such future improvements. Any such agreement shall be recorded in the land records of the municipality. The recording of such agreement shall constitute notice of the agreement to any subsequent purchaser or encumbrancer of the property or any part of it, whether voluntary or involuntary, and such agreement shall be binding upon any subsequent purchaser or encumbrancer. If the municipality claims that the taxpayer or a subsequent purchaser or encumbrancer has violated the terms of such agreement, the municipality may bring an action in the superior court for the judicial district in which the municipality is located to enforce such agreement;

(5) To accept grants, advances, loans or other financial assistance from the federal government, the state, private entities or any other source, including, but not limited to, such funds as allowable from sections 7-159d, 16-245n, 22a-498 and 25-85 of the general statutes, and undertake any additional actions necessary or desirable to secure such financial aid; and

(6) Upon such terms as the municipality determines, to furnish services or facilities, provide property, lend, grant or contribute funds and take any other action such municipality is authorized to perform for any other purposes.

(c) The resiliency improvement district may be dissolved or the boundaries of such district may be modified upon the vote of the legislative body of the municipality, except that the resiliency improvement district may not be dissolved nor may the boundaries of the resiliency improvement district be decreased if any bonds or other indebtedness authorized and issued by the municipality under sections 25 to 32, inclusive, of this act remain outstanding. Outstanding obligation bonds of the municipality secured solely by the full faith and credit of the municipality shall not preclude the dissolution of, or the decrease of the boundaries of, a resiliency improvement district.

(d) Two or more contiguous municipalities may enter into an interlocal agreement in accordance with sections 7-339a to 7-339*l*,

inclusive, of the general statutes, to establish a joint resiliency improvement district and adopt a district master plan for a district that consists of contiguous properties partially located in each such municipality. Such interlocal agreement shall be adopted prior to the establishment of any such joint district and the adoption of a district master plan for such district. A joint resiliency improvement district shall be deemed established upon the concurrent approval of such district and the adoption of a district master plan by the legislative bodies of all of the municipalities participating in the interlocal agreement.

(e) The interlocal agreement under which two or more contiguous municipalities establish a joint resiliency improvement district shall apportion any power, right, duty or obligation granted to, or required of, any municipality under the provisions of sections 25 to 32, inclusive, of this act among the municipalities participating in the interlocal agreement.

(f) Nothing in this section shall be construed to limit the power granted to a municipality pursuant to any provision of the general statutes or any special act to offer, enter into or modify any tax abatement for real property located in a resiliency improvement district if such real property contains one or more units of affordable housing, as defined in section 8-39a of the general statutes.

Sec. 25. (NEW) (*Effective July 1, 2025*) Prior to the establishment of a resiliency improvement district and approval of a district master plan for such district, the legislative body of the municipality, or the board of selectmen in the case of a municipality in which the legislative body is a town meeting, shall:

(1) Consider whether the proposed resiliency improvement district and district master plan will contribute to the well-being of the municipality or to the betterment of the health, welfare or safety of the inhabitants of the municipality;

(2) Transmit the proposed district master plan to the planning

commission of the municipality, if any, requesting a study of the proposed district master plan and a written advisory opinion, which shall include a determination on whether the proposed plan is consistent with the plan of conservation and development of the municipality adopted under section 8-23 of the general statutes, as amended by this act;

(3) Hold at least one public hearing on the proposal to establish a resiliency improvement district and to adopt the proposed district master plan. Notice of the hearing shall be published not less than ten days prior to such hearing in a conspicuous place on the Internet web site of the municipality, or the municipalities acting jointly pursuant to an interlocal agreement, with the date and time such notice was so posted, and such notice shall include (A) the date, time and place of such hearing, (B) the legal description of the boundaries of the proposed resiliency improvement district, and (C) the draft district master plan, which plan shall be made available for physical review and posted electronically on the Internet web site of any applicable municipality; and

(4) Determine whether the proposed resiliency improvement district meets the following conditions:

(A) The district contains an area that experiences or is likely to experience adverse impacts from hazards or climate change, including, but not limited to, sea level rise, rising groundwater, extreme heat, wildfire, drought or flooding;

(B) The district has been identified in a municipal hazard mitigation plan, local plan of conservation and development or regional plan of conservation and development or has been identified by another related planning process;

(C) The plan demonstrates a reduction of risk in the district from such identified adverse impacts from hazards or climate change;

(D) A portion of the real property within the district shall be suitable

for commercial, industrial, mixed use or retail uses or transit-oriented development;

(E) In the case of existing residential use, provides for the replacement of, or renovation to, residential buildings in the district, if the district is in a flood zone or within the boundaries of sea level rise as determined by the requirements of section 25-68o of the general statutes, as amended by this act, to include a height standard of not less than two feet of freeboard above the base flood elevation, or as designated by the State Building Code or municipal building requirements, whichever imposes a greater height standard, and whether construction of or renovation to commercial or industrial buildings shall be flood-proofed or elevated;

(F) Provides for vehicle access to residential buildings in the district if the district is in a flood zone or is impacted by sea level rise, pursuant to section 25-68o of the general statutes, as amended by this act, at a height of two feet above base flood elevation;

(G) The proposed district will not increase the vulnerability and risk to properties adjacent to the district or increase the risk to other hazards within the district; and

(H) The original assessed value of a proposed resiliency improvement district plus the original assessed value of all existing tax increment districts within the relevant municipalities may not exceed ten per cent of the total value of taxable property within the municipalities as of October first of the year immediately preceding the establishment of the tax increment district. Excluded from the calculation in this subparagraph is any tax increment district established on or after October 1, 2015, that consists entirely of contiguous property owned by a single taxpayer. For the purpose of this subdivision, "contiguous property" includes a parcel or parcels of land divided by a road, power line, railroad line or right-of-way.

Sec. 26. (NEW) (*Effective July 1, 2025*) (a) In connection with the establishment of a resiliency improvement district, the legislative body

of a municipality shall adopt a district master plan for each resiliency improvement district and a statement of the percentage or stated sum of increased assessed value to be designated as captured assessed value in accordance with such plan. Such legislative body shall adopt such plan after receipt of a written advisory opinion from the planning commission or combined planning and zoning commission of the municipality pursuant to section 25 of this act or ninety days after such request was made, whichever is earlier. The district master plan shall be adopted at the same time that the resiliency improvement district is established as part of the resiliency improvement district adoption proceedings set forth in sections 24 to 32, inclusive, of this act.

(b) The district master plan shall include: (1) The legal description of the boundaries of the resiliency improvement district; (2) a list of the tax identification numbers for all lots or parcels within the resiliency improvement district; (3) a description of the present condition and uses of all land and buildings within the resiliency improvement district and how the construction or improvement of physical facilities or structures will reduce or eliminate risk from any existing or expected hazards; (4) a description of the existing or expected hazards facing the district; (5) a description of the public facilities, improvements or programs within the resiliency improvement district anticipated to be undertaken and financed in whole or in part; (6) in the event of existing residential use within the resiliency improvement district, a plan for the rehabilitation, construction or replacement of any such existing housing in accordance with the state's consolidated plan for housing and community development prepared pursuant to section 8-37t of the general statutes and the state plan of conservation and development prepared pursuant to chapter 297 of the general statutes, which plan shall also include meaningful efforts to reduce displacement plans; (7) a financial plan in accordance with subsection (c) of this section; (8) a plan for the proposed maintenance and operation of the resiliency improvements after the improvements are completed; and (9) the maximum duration of the resiliency improvement district, which may not exceed a total of fifty tax years beginning with the tax year in which the resiliency improvement district is established.

(c) The financial plan in a district master plan shall include: (1) Cost estimates for the public improvements and developments anticipated in the district master plan; (2) cost estimates to support relocation or temporary housing for displaced residents; (3) the maximum amount of indebtedness to be incurred to implement the district master plan; (4) sources of anticipated revenues, including, but not limited to, increased savings, fees, assessments, grants or other sources; (5) a description of the terms and conditions of any agreements, including any anticipated savings agreements, assessment agreements, contracts or other obligations related to the district master plan; (6) estimates of increased assessed values and estimates of increased savings of the resiliency improvement district; and (7) the portion of the increased assessed values and increased savings to be applied to the district master plan as captured assessed values and resulting tax increments in each year of the plan.

(d) The district master plan may be amended from time to time by the legislative body of each applicable municipality. Such legislative body shall review the district master plan not less than once every ten years after the initial approval of the resiliency improvement district and the district master plan in order for the resiliency improvement district and the district master plan to remain in effect, provided no such district may be dissolved for the failure to comply with this section if any bonds or other indebtedness authorized and issued by the municipality under sections 24 to 32, inclusive, of this act remain outstanding. With respect to any district master plan that includes development that is funded in whole or in part by federal funds, the provisions of this subsection shall not apply to the extent that such provisions are prohibited by federal law.

Sec. 27. (NEW) (*Effective July 1, 2025*) (a) In the district master plan, each applicable municipality may designate all or part of the tax increment revenues generated from the increased assessed value and all or part of any additional revenue resulting from the increased savings of a resiliency improvement district for the purpose of financing all or part of the implementation of the district master plan, and, in the case

of any existing or planned residential use in such district, the percentage of such revenue necessary to rehabilitate, construct or replace dwellings for such use and to preserve, increase or improve access to affordable housing, as defined in section 8-39a of the general statutes, within the municipality, either within or adjacent to such district. The amount of tax increment revenues to be designated shall be determined by designating the captured assessed value, subject to any assessment agreements.

(b) On or after the establishment of a resiliency improvement district and the adoption of a district master plan, the assessor of the municipality in which such district is located shall certify the original assessed value of the taxable real property within the boundaries of the resiliency improvement district. Each year after the establishment of a resiliency improvement district, the assessor shall certify the amount of the (1) current assessed value; (2) amount by which the current assessed value has increased or decreased from the original assessed value, subject to any assessment agreements; and (3) amount of the captured assessed value. Nothing in this subsection shall be construed to authorize the unequal apportionment or assessment of the taxes to be paid on real property in the municipality. Subject to any assessment agreements, an owner of real property within the resiliency improvement district shall pay real property taxes apportioned equally with real property taxes paid elsewhere in such municipality.

(c) If a municipality has designated captured assessed value under subsection (a) of this section:

(1) Each applicable municipality shall establish a district master plan fund that consists of: (A) A project cost account that is pledged to and charged with the payment of project costs that are outlined in the financial plan, including the reimbursement of project cost expenditures incurred by a public body, which public body may be the municipality, a developer, any property owner or any other third-party entity, and that are paid in a manner other than as described in subparagraph (B) of this subdivision; and (B) in instances of indebtedness issued by the

municipality in accordance with section 30 of this act to finance or refinance project costs, a development sinking fund account that is pledged to and charged with the (i) payment of the interest and principal as the interest and principal fall due, including any redemption premium; (ii) payment of the costs of providing or reimbursing any provider of any guarantee, letter of credit, policy of bond insurance or other credit enhancement device used to secure payment of debt service on any such indebtedness; and (iii) funding any required reserve fund;

(2) The municipality shall annually set aside all tax increment revenues on captured assessed values and deposit all such revenues to the appropriate district master plan fund account established under subdivision (1) of this subsection in the following order of priority: (A) To the development sinking fund account, an amount sufficient, together with estimated future revenues to be deposited to the account and earnings on the amount, to satisfy all annual debt service on the indebtedness issued in accordance with section 30 of this act and the financial plan, except for general obligation bonds of the municipality secured solely by the full faith and credit of the municipality; and (B) to the project cost account, all such remaining tax increment revenues on captured assessed values;

(3) The municipality shall make transfers between district master plan fund accounts established under subdivision (1) of this subsection, provided the transfers do not result in a balance in either account that is insufficient to cover the annual obligations of each respective account;

(4) The municipality may, at any time during the term of the resiliency improvement district, by vote of the legislative body of the municipality, return to the municipal general fund any tax increment revenues remaining in either account established under subdivision (1) of this subsection that exceeds those estimated to be required to satisfy the obligations of the account after taking into account any transfer made under subdivision (3) of this subsection; and

(5) Any account or fund established pursuant to subdivision (1) of

this subsection shall be audited annually by an independent auditor who is a public accountant licensed to practice in this state and who meets the independence standards included in generally accepted government auditing standards. A report of such audit shall be open to public inspection. Certified copies of such audit shall be provided to the State Auditors of Public Accounts.

Sec. 28. (NEW) (*Effective July 1, 2025*) Costs authorized for payment from a district master plan fund, established pursuant to section 27 of this act shall be limited to:

(1) Costs of improvements made within the resiliency improvement district, including, but not limited to, (A) capital costs, including, but not limited to, (i) the acquisition or construction of land, improvements, infrastructure, measures designed to improve resilience, environmental infrastructure, clean energy projects, public ways, parks, buildings, structures, railings, signs, landscaping, plantings, curbs, sidewalks, turnouts, recreational facilities, structured parking, transportation improvements, pedestrian improvements and other related improvements, fixtures and equipment for public or private use, (ii) the demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures and fixtures, (iii) environmental remediation, (iv) site preparation and finishing work, and (v) all fees and expenses associated with the capital cost of such improvements, including, but not limited to, licensing and permitting expenses and planning, engineering, architectural, testing, legal and accounting expenses; (B) financing costs, including, but not limited to, closing costs, issuance costs, reserve funds and capitalized interest; (C) real property assembly costs; (D) costs of technical and marketing assistance programs; (E) professional service costs, including, but not limited to, licensing, architectural, planning, engineering, development and legal expenses; (F) maintenance and operation costs; (G) administrative costs, including, but not limited to, reasonable charges for the time spent by municipal employees, other agencies or third-party entities in connection with the implementation of a district master plan; and (H) organizational costs relating to the planning and the establishment of

the resiliency improvement district, including, but not limited to, the costs of conducting environmental impact and other studies and the costs of informing the public about the creation of resiliency improvement districts and the implementation of the district master plan;

(2) Costs of improvements that are made outside the resiliency improvement district but are directly related to or are made necessary by the establishment or operation of the resiliency improvement district, including, but not limited to, (A) that portion of the costs reasonably related to the construction, alteration or expansion of any facilities not located within the resiliency improvement district that are required due to improvements or activities within the resiliency improvement district, including, but not limited to, roadways, traffic signalization, easements, sewage treatment plants, water treatment plants or other environmental protection devices, storm or sanitary sewer lines, water lines, electrical lines, improvements to fire stations and street signs; (B) costs of public safety and public school improvements made necessary by the establishment of the resiliency improvement district; and (C) costs of funding to mitigate any adverse impact of the resiliency improvement district upon the municipality and its constituents; and

(3) Costs related to environmental improvement projects developed by the municipality related to the resiliency improvement district.

Sec. 29. (NEW) (*Effective July 1, 2025*) (a) (1) Notwithstanding any provision of the general statutes, whenever a municipality constructs, improves, extends, equips, rehabilitates, repairs, acquires or provides a grant for any public improvements within a resiliency improvement district or finances the cost of such public improvements, the proportion of such cost or estimated cost of such public improvements and financing thereof, as determined by the municipality, may be assessed by the municipality, as a benefit assessment, in the manner prescribed by such municipality, upon the real property within the resiliency improvement district that is benefited by such public improvements. The municipality may provide for the payment of such benefit

assessments in annual installments, not exceeding fifty years, and may forgive such benefit assessments in any given year without causing the remainder of installments of benefit assessments to be forgiven. Benefit assessments on real property where buildings or structures are constructed or expanded after the initial benefit assessment may be assessed as if the new or expanded buildings or structures on such real property existed at the time of the original benefit assessment.

(2) Any benefit assessment shall be adopted and revised by the municipality not less than annually and not more than sixty days before the beginning of the fiscal year. If any benefit assessment is assessed and levied prior to the acquisition or construction of the public improvements, the amount of any such assessment may be adjusted to reflect the actual cost of such public improvements, including all financing costs, once such public improvements are complete, if the actual cost is greater than or less than the estimated costs.

(b) Before estimating and making a benefit assessment under subsection (a) of this section, the municipality shall hold not less than one public hearing on such municipality's schedule of benefit assessments or any revision thereof. Notice of such hearing shall be published not less than ten days before such hearing in a conspicuous place on the Internet web site of the municipality, or the municipalities acting jointly pursuant to an interlocal agreement, with the date and time such notice was posted. The notice shall include (1) the date, time and place of such hearing; (2) the boundaries of the resiliency improvement district by legal description; (3) a statement that all interested persons owning real estate or taxable property located within the resiliency improvement district will be given an opportunity to be heard at the hearing and an opportunity to file objections to the amount of the assessment; (4) the maximum rate of assessments to be increased in any one year; and (5) a statement indicating that the proposed list of properties to be assessed and the estimated assessments against those properties are available at the city or town office or at the office of the assessor. The notice may include a maximum number of years the assessments will be levied. Not later than the date of the publication, the

municipality shall make available to any member of the public, upon request, the proposed schedule of benefit assessments. The procedures for public hearing and appeal set forth in section 7-250 of the general statutes shall apply for all benefit assessments made by a municipality pursuant to this section, except that the board of finance, or the municipality's legislative body if no board of finance exists, shall be substituted for the water pollution control authority.

(c) A municipality may adopt ordinances apportioning the value of improvements within a resiliency improvement district according to a formula that reflects actual benefits that accrue to the various properties because of the development and maintenance.

(d) A municipality may increase assessments or extend the maximum number of years the assessments will be levied after notice and public hearing is held pursuant to subsection (b) of this section.

(e) (1) Benefit assessments made under this section shall be collected and enforced in the same manner as municipal taxes unless otherwise provided in sections 24 to 32, inclusive, of this act. Benefit assessments shall be due and payable at such times as are fixed by the municipality, provided the municipality shall give notice of such due date not less than thirty days prior to such due date by publication in a conspicuous place on the Internet web site of each applicable municipality with the date and time such notice was so posted and by mailing such notice to the owners of the assessed real property at the last-known address of any such owner. All revenues from any assessment under this section shall be paid into the appropriate district master plan fund account established under subsection (c) of section 27 of this act.

(2) If any property owner fails to pay any assessment or part of an assessment on or before the date on which such assessment or part of such assessment is due, the municipality shall have all the authority and powers to collect the delinquent assessments vested in the municipality by law to collect delinquent municipal taxes. Benefit assessments, if not paid when due, shall constitute a lien upon the real property served and a charge against the owners thereof, which lien and charge shall bear

interest at the same rate as delinquent property taxes. Each such lien may be continued, recorded and released in the manner provided for property tax liens and shall take precedence over all other liens or encumbrances except a lien for property taxes of the municipality.

Sec. 30. (NEW) (*Effective July 1, 2025*) (a) For the purpose of carrying out or administering a district master plan or other functions authorized under sections 24 to 32, inclusive, of this act, a municipality is authorized, subject to the limitations and procedures set forth in this section, to issue from time to time bonds and other obligations of the municipality that are payable solely from and secured by (1) the full faith and credit pledge of the municipality; (2) a pledge of and lien upon any or all of the income, proceeds, revenues and property of the projects within the resiliency improvement district, including the proceeds of grants, loans, advances or contributions from the federal government, the state or other source; (3) all revenues derived under sections 27 and 29 of this act received by the municipality; or (4) any combination of the methods in subdivisions (1) to (3), inclusive, of this subsection. Except for bonds secured by the full faith credit pledge of the municipality, bonds authorized by this section shall not be included in computing the aggregate indebtedness of the municipality.

(b) Notwithstanding the provisions of any other statute, municipal ordinance or charter provision governing the authorization and issuance of bonds generally by the municipality, any bonds payable and secured as provided in this section shall be authorized by a resolution adopted by the legislative body of the municipality. Such bonds shall, as determined by the legislative body of the municipality or the municipal officers who are designated such authority by such body, (1) be issued and sold; (2) bear interest at the rate or rates determined by the legislative body or its designee, including variable rates; (3) provide for the payment of interest on the dates determined by the legislative body or its designee, whether before or at maturity; (4) be issued at, above or below par; (5) mature at such time or times not exceeding thirty years; (6) have rank or priority; (7) be payable in such medium of payment; (8) be issued in such form, including, without limitation,

registered or book-entry form, carry such registration and transfer privileges and be made subject to purchase or redemption before maturity at such price or prices and under such terms and conditions, including the condition that such bonds be subject to purchase or redemption on the demand of the owner thereof; and (9) contain such other required terms and particulars.

(c) The municipality may require that the bonds issued hereunder be secured by a trust agreement by and between the municipality and a corporate trustee, which may be any trust company or bank having the powers of a trust company within the state. The trust agreement may contain covenants or provisions for protecting and enforcing the rights and remedies of the bondholders as may be necessary, reasonable or appropriate and not in violation of law or other provisions or covenants that are consistent with sections 24 to 32, inclusive, of this act and which the municipality determines in such proceedings are necessary, convenient or desirable to better secure the bonds, or will tend to make the bonds more marketable, and which are in the best interests of the municipality. The pledge by any trust agreement shall be valid and binding from time to time when the pledge is made. The revenues or other moneys so pledged and then held or thereafter received by the municipality shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act and the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the board, irrespective of whether the parties have notice thereof. All expenses incurred in carrying out such trust agreement may be treated as project costs. In case any municipal officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be an officer before the delivery of the obligations, the signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until the delivery. Notwithstanding any provision of the Uniform Commercial Code, neither this section, the resolution of the municipality approving the bonds or any trust agreement by which a pledge is created need be filed or recorded, and no filing need be made under title 42a of the general statutes.

(d) While any bonds issued hereunder remain outstanding, the existence of the resiliency improvement district and the powers and duties of the municipality with respect to such resiliency improvement district shall not be diminished or impaired in any way that will affect adversely the interests and rights of the holders of the bonds. Any bonds issued by a municipality pursuant to this section, except for general obligation bonds of the municipality secured by the full faith and credit pledge of the municipality, shall contain on their face a statement to the effect that neither the state nor the municipality shall be obliged to pay the principal of or the interest thereon, and that neither the full faith and credit or taxing power of the state or the municipality is pledged to the payment of the bonds. All bonds issued under this section shall have and are hereby declared to have all the qualities and incidents of negotiable instruments, as provided in title 42a of the general statutes.

(e) Any pledge made by a municipality pursuant to this section shall be valid and binding from the time when the pledge is made, and any revenues or other receipts, funds or moneys so pledged and thereafter received by the municipality shall be subject immediately to the lien of such pledge without any physical delivery thereof or further act. The lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the municipality, irrespective of whether such parties have notice of such lien.

(f) Bonds issued under this section are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control and belonging to them, and such bonds shall be securities that may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds of the state is now or may hereafter be authorized by law. Bonds may be issued under this section without obtaining the consent of the state and without

any proceedings or the happening of any other conditions or things other than those proceedings, conditions or things that are specifically required thereof by this section.

(g) Nothing in this section shall be construed to restrict the ability of the municipality to raise revenue for the payment of project costs in any manner otherwise authorized by law.

(h) As used in this section, "bonds" means any bonds, including refunding bonds, notes, interim certificates, debentures or other obligations.

Sec. 31. (NEW) (*Effective July 1, 2025*) The legislative body of each applicable municipality may create an advisory board, whose members include owners or occupants of real property located in or adjacent to a resiliency improvement district. The advisory board may advise the legislative body and any designated administrative entity on the planning, construction and implementation of the district master plan and maintenance and operation of the resiliency improvement district after the district master plan is complete.

Sec. 32. (NEW) (*Effective July 1, 2025*) (a) Within a resiliency improvement district, priority consideration shall be given in the solicitation, selection and design of infrastructure projects designed to increase resilience and that (1) utilize natural and nature-based solutions intended to restore, maintain or enhance ecosystem services and processes that maintain or improve on environmental quality in or adjacent to the district, or (2) address the needs of environmental justice communities, as defined in section 22a-20a of the general statutes, or of vulnerable communities, as defined in section 16-243y of the general statutes.

(b) To the extent that a resiliency project results in the demolition or reduction of affordable housing, as defined in section 8-39a of the general statutes, the municipality, the developer of the resiliency project, a property owner or a third-party entity shall commit to replace such affordable housing units within the district. The replacement of

such affordable housing shall occur not later than four years after such demolition or reduction. If the replacement is not feasible within the district boundaries, such affordable housing shall be replaced within a reasonable proximity to the district at a rate of not less than two units for each unit that otherwise would have been replaced within the district.

Sec. 33. Section 22a-50 of the general statutes is amended by adding subsection (m) as follows (*Effective from passage*):

(NEW) (m) Not later than January 1, 2026, the commissioner shall classify all second-generation anticoagulant rodenticides for restricted use pursuant to subdivision (2) of subsection (c) of this section. For the purposes of this subsection, "second-generation anticoagulant rodenticide" means any pesticide product containing any one of the following active ingredients: (1) Brodifacoum; (2) bromadiolone; (3) difenacoum; or (4) difethialone.

Sec. 34. Subsection (l) of section 22a-50 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(l) (1) Not later than January 1, 2018, the commissioner shall classify all neonicotinoids, as defined in section 22-61k, that are labeled for treating plants, as restricted use pursuant to subdivision (2) of subsection (c) of this section.

(2) On and after January 1, 2026, no person shall sell, possess or use any pesticide that contains any neonicotinoid, as defined in section 22-61k, except that such pesticide may be used on an agricultural plant or to eliminate an invasive invertebrate pest if the Commissioner of Energy and Environmental Protection, after consultation with the director of the Connecticut Agricultural Experiment Station, determines that no other effective control option is available. The director of the Connecticut Agricultural Experiment Station may consult with the Pesticide Advisory Council, established pursuant to subdivision (d) of section 22a-65, to determine if such pesticide is the only effective control option

available. For purposes of this subdivision, "agricultural plant" means any plant, or part of any plant, that is grown, maintained or otherwise produced for commercial purposes, including, but not limited to, any plant grown, maintained or otherwise produced for sale or trade, for research or experimental purposes or for use, in part or in whole, in another location such as any grain, fruit, vegetable, wood fiber or timber product, flowering or foliage plant or tree, seedling, transplant or turf grass produced for sod. "Agricultural plant" does not include any pasture or rangeland used for grazing and "invasive invertebrate pest" means any species of invertebrate, including such invertebrate's eggs or other biological material capable of propagating such species, and that: (A) Occur outside of such species' Level III ecoregion, as defined by the United States Environmental Protection Agency; and (B) are, or threaten to become, substantial pests to plants of economic importance, an environmental harm or harmful to human, animal or plant health; or (C) are species regulated or under quarantine by the Connecticut Agricultural Experiment Station pursuant to section 22-84a or the United States Department of Agriculture's Animal and Plant Health Inspection Service's Plant Protection and Quarantine Program.

(3) The Commissioner of Energy and Environmental Protection may assess a civil penalty of not more than two thousand five hundred dollars to any person who violates the provisions of subdivision (2) of this subsection for each such violation.

(4) The provisions of subdivision (2) of this subsection shall not apply to any neonicotinoid that is not labeled for use on plants, including, but not limited to, neonicotinoids labeled for use in pet care, veterinary use or indoor or structural pest control.

Sec. 35. Section 8-2f of the general statutes is repealed. (*Effective July 1, 2025*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	*July 1, 2026*	New section

Sec. 2	*July 1, 2026*	New section
Sec. 3	*July 1, 2025*	New section
Sec. 4	*July 1, 2025*	20-327c
Sec. 5	*July 1, 2025*	New section
Sec. 6	*October 1, 2025*	22a-109(b)
Sec. 7	*October 1, 2025*	22a-109(d)
Sec. 8	*from passage*	New section
Sec. 9	*July 1, 2025*	25-68o(a)
Sec. 10	*July 1, 2025*	New section
Sec. 11	*July 1, 2025*	7-364
Sec. 12	*July 1, 2025*	13a-175a(a)
Sec. 13	*July 1, 2025*	8-23(d) to (f)
Sec. 14	*July 1, 2025*	8-23(i)
Sec. 15	*July 1, 2025*	8-35a(a) and (b)
Sec. 16	*July 1, 2025*	16a-27(h)
Sec. 17	*July 1, 2025*	28-5(h)
Sec. 18	*October 1, 2025*	8-2(b) and (c)
Sec. 19	*from passage*	8-1a(b)
Sec. 20	*July 1, 2025*	8-2e
Sec. 21	*July 1, 2025*	New section
Sec. 22	*July 1, 2025*	New section
Sec. 23	*July 1, 2025*	New section
Sec. 24	*July 1, 2025*	New section
Sec. 25	*July 1, 2025*	New section
Sec. 26	*July 1, 2025*	New section
Sec. 27	*July 1, 2025*	New section
Sec. 28	*July 1, 2025*	New section
Sec. 29	*July 1, 2025*	New section
Sec. 30	*July 1, 2025*	New section
Sec. 31	*July 1, 2025*	New section
Sec. 32	*July 1, 2025*	New section
Sec. 33	*from passage*	22a-50(m)
Sec. 34	*from passage*	22a-50(l)
Sec. 35	*July 1, 2025*	Repealer section

ENV *Joint Favorable Subst.*

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 $
Department of Energy and Environmental Protection	GF - Cost	75,000	75,000
State Comptroller - Fringe Benefits[1]	GF - Cost	26,462	26,462
Department of Energy and Environmental Protection	GF - Revenue Gain	Potential	Potential
Various State Agencies	GF - Potential Savings	See Below	See Below

Note: GF=General Fund

Municipal Impact: See below

Explanation

The bill results in various impacts that are described below.

Sections 6 and 7 expands a requirement for municipalities to apply coastal site review requirements to certain new construction. This may result in a potential cost to municipalities beginning in FY 26 associated with more reviews.

Section 8 prohibits any state entity from using state funds to subsidize certain residential structures when the structure is located on a repetitive-loss property or within the floodway or coastal high-hazard area. This may result in a potential savings to various state agencies

[1]The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.71% of payroll in FY 26.

beginning in FY 26 to the extent less construction is subsidized.

Section 10 requires each municipality to submit a report of the culverts and bridges located within the municipality and outlines what must be included in the report, including geospatial data and any other information required by the Office of Policy and Management (OPM). This may result in a cost to various municipalities, likely beginning in FY 27 that is dependent on what information must be included in the report.

Section 11 expands allowable uses of municipal reserve funds. This may result in a municipality using its reserve funds more quickly beginning in FY 26.

Section 12 expands allowable uses of Town Aid Road (TAR) grants to include building, improving, and maintaining resiliency for roads, bridges, and related structures that may be impacted by increased precipitation, flooding, sea level rise, and extreme heat. This may result in a municipality using its TAR grant more quickly beginning in FY 26.

Sections 13 and 14 make changes to the requirements that must be included in municipalities' Plans of Conservation and Development (POCDs), including a climate change vulnerability assessment and use of geospatial (GIS) data, among others. These sections require any POCDs adopted after October 1, 2026, to include these new requirements.[2]

Beginning in FY 26, this may result in costs of up to $20,000 for various municipalities to include the new requirements in their POCDs. Costs to municipalities will depend on what is needed to meet these requirements and may include technology, programs for GIS data, or consultants.

These provisions may also result in a revenue loss to various municipalities to the extent they are unable to adopt the POCDs with

[2] Under current law, municipalities are required to update their plan of conservation and development at least once every ten years.

the new requirements. Failure to do so, consistent with current law, results in a municipality becoming ineligible for discretionary state funding.[3]

Section 17, which requires the Department of Emergency Services and Public Protection (DESPP) to make several updates to the state civil preparedness plan, results in a cost of $88,000 to DESPP and $35,825 to the State Comptroller - Fringe Benefits beginning in FY 29. DESPP will need to hire one Emergency Management Program Specialist with a starting salary of $88,000.

Sections 18 – 20, and 35 permit and outline the requirements for municipal zoning regulations to allow for a regional transfer of development rights system. Any fiscal impact is dependent on how land is used as a result.

Sections 23 – 32 establish and outline the powers of resiliency improvement districts that are similar to increment financing districts. The sections permit municipalities to establish these resiliency improvement districts and provide guidelines for how they can be used. The impact of these sections is dependent on how municipalities use the districts.

The sections require municipalities that establish a resiliency improvement district to first develop a district master plan and financial plan. This results in a potential cost to municipalities to develop these plans. There is an additional, minimal cost to municipalities that choose to establish these districts associated with holding a public hearing. A municipality may also incur costs by issuing bonds for various economic development projects.

The sections also allow municipalities to fix the assessment of certain properties within a resiliency improvement district. This would preclude any grand list growth resulting from an increase in the

[3] Discretionary state funding includes, but is not limited to, any source of funding that a state agency administers through a competitive process. This may include: the Urban Action Program and Small-Town Economic Assistance Program.

assessment of the property.

Municipalities may also impose benefits assessments on real property in the district that benefits from public improvements. This may result in a potential revenue gain to municipalities that is dependent on what the change in assessed value is as a result of the improvements.

The sections require municipalities to: (1) replace any affordable housing units within the district that are demolished or reduced as a result of a resiliency improvement project, or (2) replace two units for each affordable unit that was demolished or reduced if they have to be relocated outside of the district boundary. This results in a potential cost to municipalities to the extent that affordable housing units are demolished.

Sections 33 and 34 require, by January 1, 2026, the Department of Energy and Environmental Protection (DEEP) commissioner to classify all second-generation anticoagulant rodenticides for restricted use and bans (with certain exceptions) selling, possessing, or using a pesticide that has any neonicotinoid. DEEP does not currently have the staff available to complete and enforce the provisions contained within the bill and would require one new full-time Environmental Analyst 2. The additional full-time position would result in an annual salary of $65,000 (corresponding fringe benefits of $26,462) and approximately $10,000 in other expenses (including a computer, cellphone, and supplies for monitoring and reporting).

Additionally, these sections make a violation of the ban on neonicotinoids subject to a civil penalty of up to $2,500 per violation, resulting in a potential revenue gain to the General Fund beginning in FY 26. The extent of the revenue gain depends on the number of violations and the amount of each fine collected.

The bill includes various other requirements that do not result in a fiscal impact to the state or municipalities.

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, how municipalities choose to use the resiliency improvement districts, and the terms of any bonds issued.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, how municipalities choose to use the resiliency improvement districts, and the terms of any bonds issued.

The impact to DESPP is expected to begin in FY 29 and will result in an annual cost of $88,000 and corresponding fringe benefit costs.

OLR Bill Analysis

sSB 9

AN ACT CONCERNING THE ENVIRONMENT, CLIMATE AND SUSTAINABLE MUNICIPAL AND STATE PLANNING, AND THE USE OF NEONICOTINOIDS AND SECOND-GENERATION ANTICOAGULANT RODENTICIDES.

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Allows municipal zoning regulations to provide for (1) a regional TDR system and (2) sending and receiving sites in conjunction with a multi-town or regional TDR system; allows COGs to administer joint or multi-town TDR systems; allows two or more municipalities to set up a TDR bank; sets criteria for eligible sending and receiving sites

§ 21 — STATE WATER PLAN UPDATE

Requires the state water plan's next update to (1) consider (a) the potential impact of climate change on water resource quality and (b) temperatures and precipitation information when identifying water

quantities and qualities for various uses and (2) include recommendations and an implementation plan for reducing effects on water from climate change and extreme weather

§ 22 — WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM REGULATION AND PERMIT REVIEW

On a 10-year basis beginning by the end of 2028, requires DEEP, DPH, and PURA to review and revise their water supply regulations and DEEP and DPH to review and revise their sewage disposal system permitting processes and related regulations, all to include certain projections

§§ 23-32 — RESILIENCY IMPROVEMENT DISTRICTS

Creates a framework authorizing municipalities to establish resiliency improvement districts to finance capital projects addressing climate change mitigation, adaptation, or resilience; allows municipalities to finance projects in these districts by designating incremental property tax revenue and specified savings generated in the district, imposing benefit assessments on real property in the district, and issuing bonds backed by these revenue streams and other sources; allows municipalities to fix property tax assessments in the district for up to 30 years

§ 33 — SECOND-GENERATION ANTICOAGULANT RODENTICIDES

Requires DEEP, by January 1, 2026, to classify second-generation anticoagulant rodenticides as restricted use pesticides

§ 34 — NEONICOTINOIDS

Prohibits, beginning January 1, 2026, selling, possessing, or using pesticides with neonicotinoids; exempts certain uses (e.g., on agricultural plants or to eliminate certain invertebrate pests)

SUMMARY

This bill makes changes in laws related to planning for and preparing against certain hazards and climate change (e.g., sea level rise, rising groundwater, extreme heat, wildfire, drought, or flooding). Among other things, the bill:

1. requires certain entities to give consumers flood disclosure notices;

2. requires updates to local, regional, and state plans of

conservation and development, the state's civil preparedness plan, and local evacuation or hazard mitigation plans;

3. allows municipal zoning regulations to provide for regional transfer of development rights systems;

4. requires updates to the state water plan and reviews of water supply and sewage disposal system regulations to account for certain projections; and

5. creates a framework for municipalities to establish resiliency improvement districts.

The bill requires the Department of Energy and Environmental Protection (DEEP) to classify second-generation anticoagulant rodenticides as restricted use pesticides. It also prohibits selling, possessing, or using pesticides with neonicotinoids, except for certain uses (e.g., on agricultural plants or to eliminate certain invertebrate pests).

A section-by-section analysis follows below.

EFFECTIVE DATE: July 1, 2025, except as specified below.

§§ 1-5 — FLOOD DISCLOSURES

Requires certain insurance producers and brokers to (1) notify certain insurance applicants about flood insurance availability, and (2) post a flood insurance notice on the policy declarations page; requires financial institutions to notify mortgage applicants of flood damage risk and who to contact for flood insurance information; requires certain property sellers to give prospective buyers a flood disclosure notice that the DCP commissioner must develop; requires landlords to give tenants a flood disclosure notice before entering into or renewing a lease, and include a specific notice in rental agreements

Personal Risk Insurance (§ 1)

The bill requires insurance producers or brokers to provide an applicant for a personal risk insurance policy (e.g., a homeowners or renters insurance policy) written disclosure of the availability of flood insurance coverage. The disclosure must explain the option of purchasing flood insurance through the Federal Emergency Management Agency's (FEMA) National Flood Insurance Program

(NFIP) or private insurers. The producer or broker must get the applicant's written acknowledgement that he or she received the disclosure and whether he or she declined to purchase flood insurance.

The bill also requires the insurers to include on a personal risk insurance policy declarations page a specific notice that the policy does not include flood insurance.

EFFECTIVE DATE: July 1, 2026

Mortgage Loans (§ 2)

The bill requires a creditor (e.g., state or federal bank, credit union, mortgage lender or correspondent lender, or other financial institution) to give a mortgage loan applicant a notice written in plain language with certain information about flood insurance by the mortgage closing date.

Specifically, the notice must inform the applicant that (1) standard homeowners insurance policies do not cover flood related losses, (2) flood damage can happen regardless of if the property is in a designated flood zone, and (3) the applicant may want to consult an insurance producer or broker about flood insurance availability and benefits. The applicant must sign and date the notice, and the creditor must keep a copy of it with the applicant's mortgage records.

EFFECTIVE DATE: July 1, 2026

Residential Condition Report (§§ 3 & 4)

The bill requires a person selling residential property on or after July 1, 2026, to give a prospective buyer a flood disclosure notice when he or she gives the required written condition report.

It requires the Department of Consumer Protection (DCP) commissioner, by June 15, 2026, to develop the notice in consultation with DEEP, the housing and insurance departments, industry representatives, and housing advocates.

Under the bill, the notice must at least include the following:

1. if the property is in a (a) FEMA-designated floodplain, (b) Special Flood Hazard Area per FEMA's current flood insurance rate maps for the area, or (c) moderate risk flood hazard area;

2. if federal law requires the property to have flood insurance coverage;

3. if the seller (or previous owners) received assistance from FEMA, the U.S. Small Business Administration (SBA), or other state or federal disaster assistance for flood damage;

4. if a FEMA elevation certificate is available;

5. if the seller ever filed a flood damage claim under a flood insurance policy;

6. if the structure has experienced water penetration or damage from seepage or a natural flood event; and

7. any other information the DCP commissioner requires.

Under the bill, transfers of newly built residential real property for which there is an implied warranty are subject to this flood disclosure notice requirement, despite being exempt from giving a residential condition report. The seller must give the flood disclosure notice when he or she would have otherwise needed to give a residential condition report absent the exemption.

Landlord/Tenant Rental Agreements (§ 5)

The bill requires a landlord to give a tenant, before entering into or renewing a rental agreement on or after July 1, 2026, a flood disclosure notice. The DCP commissioner, by June 15, 2026, must develop this notice in consultation with DEEP, the housing and insurance departments, industry representatives, and housing advocates.

Under the bill, the notice must at least include the following:

1. if the leased premises (including common areas and parking

areas) are in a (a) FEMA-designated floodplain, (b) Special Flood Hazard Area per FEMA's current flood insurance rate maps for the area, or (c) moderate risk flood hazard area;

2. if federal law requires the premises to have flood insurance coverage;

3. if the landlord or any tenant (or previous owner or tenant) received assistance from FEMA, the U.S. SBA, or other state or federal disaster assistance for flood damage;

4. if a FEMA elevation certificate is available;

5. if the landlord or any tenant ever filed a flood damage claim under a flood insurance policy;

6. if, and how often, the premises experienced flood damage, water seepage, or pooled water from a natural flood event;

7. if the landlord has actual knowledge that the premises have been flooded; and

8. any other information the DCP commissioner requires.

The bill also requires rental agreements to have a specific notice to tenants that (1) standard renters insurance policies do not typically cover flood damage and (2) flood insurance may be available through FEMA's NFIP. The notice must also encourage them to review their policy.

§§ 6 & 7 — COASTAL SITE PLAN REVIEWS

Makes new single-family home construction subject to coastal site plan review under the Coastal Management Act; requires municipal zoning commissions and zoning boards of appeals to give DEEP a copy of each coastal site plan for any activity proposed within certain FEMA-designated areas or sites with tidal wetlands, beaches, or dunes

By law, coastal municipalities must perform coastal site plan reviews under the state's Coastal Management Act (CMA). The CMA requires coastal site plan reviews for certain activities in the coastal boundary and landward of the mean high water mark to determine conformity

with municipal zoning regulations and certain state statutory requirements.

The bill applies coastal site review requirements to building new single-family homes. Current law allows municipalities to exempt the construction of these homes from coastal site plan review, except when the structure is (1) on an island not connected to the mainland by an existing road bridge or causeway or (2) within 100 feet of tidal wetlands, coastal bluffs and escarpments, beaches, and dunes.

The bill also requires municipalities to give DEEP a copy of each coastal site plan for any activity proposed within a FEMA-designated V, VE, A, or AE area (i.e. special flood hazard areas), or Limit of Moderate Wave Action (LiMWA) area (i.e. where wave heights are between 1.5 and 3 feet), or any site with tidal wetlands, beaches, or dunes. They must do this within 15 days after receiving the plan. DEEP may comment on a plan within 35 days after receiving it, and DEEP's comments must be considered before final action is taken on the plan. Current law requires this process only for the coastal site plans of shoreline flood and erosion control structures.

The law also currently requires the municipal zoning commissions to give DEEP a copy of a submitted coastal site plan and receive DEEP's comments for consideration. The bill extends these requirements to zoning boards of appeals.

EFFECTIVE DATE: October 1, 2025

§ 8 — BAN ON USING STATE FUNDS IN FLOODWAY

Generally prohibits state funds from being used to build new residential structures on repetitive-loss properties or within the floodway or coastal high-hazard area

The bill generally prohibits, beginning December 1, 2025, any state entity from using state funds, and any recipient of state funds or federal funds provided through a state agency, from using any of it to directly subsidize building any new residential structure or reconstruction of a residential structure that increases the finished habitable living space when the structure is located on a repetitive-loss property or within the

floodway or coastal high-hazard area (e.g., FEMA-designated coastal AE, VE, and V zones and LiMWAs).

However, the prohibition does not apply to (1) projects that began construction before that date and (2) reconstruction solely to bring the structure into FEMA compliance or for work performed on an area of property that is outside of the floodway or coastal high-hazard areas.

EFFECTIVE DATE: Upon passage

§ 9 — LOCAL EVACUATION AND HAZARD MITIGATION PLANS

Requires municipal evacuation or hazard mitigation plans to identify and address certain threats due to sea level change (e.g., to critical infrastructure) and ways to avoid or reduce climate change's effects; requires use of geospatial data in identifying those threats

Beginning October 1, 2025, the bill requires municipal evacuation plans and municipal hazard mitigation plans to identify and address (1) threats to surface transportation, critical infrastructure, and local land uses due to sea level change and (2) actions, strategies, and capital projects to avoid or reduce impacts and risks from climate change (e.g., increased precipitation, flooding, sea level rise, and extreme heat). The transportation, infrastructure, land uses, actions, strategies, and capital projects must be identified in geospatial data using the state's plane coordinate system, as applicable, which must be provided to the Department of Emergency Services and Public Protection (DESPP), the Department of Transportation (DOT), and the Office of Policy and Management (OPM) if they ask for it. This work may be done regionally.

§ 10 — MUNICIPAL CULVERT AND BRIDGE DATA

Requires each municipality to annually submit a geospatial data file to its regional council of governments on its culverts and bridges; requires each regional council of governments to annually submit the files to OPM

Beginning by October 1, 2026, the bill requires each municipality to annually submit a geospatial data file on each culvert and bridge within its control and boundaries to the regional council of governments (COG) to which it belongs.

Under the bill, the report must include each culvert's and bridge's (1) geospatial data, using the state's plane coordinate system; (2) locational

coordinates; and (3) age and dimensions. It must also have any other information determined necessary by, and be in the format set by, OPM in consultation with DOT and DEEP.

The bill then requires each COG, beginning by December 1, 2026, to annually (1) submit the geospatial data file to the OPM secretary and (2) report any municipality that did not submit its data file.

§ 11 — MUNICIPAL RESERVE FUNDS

Explicitly allows municipal reserve funds to cover expenditures intended to increase a capital improvement's resiliency against climate change impacts

Existing law restricts the use of municipal reserve funds to specified purposes, including financing capital and nonrecurring expenditures to plan, construct, reconstruct, or acquire a specific capital improvement. The bill explicitly allows the funds to cover these expenditures when they are intended to increase a capital improvement's resiliency against climate change impacts (e.g., increased precipitation, flooding, sea level rise, and extreme heat).

As under existing law, reserve funds may also be used to (1) acquire a specific piece of equipment; (2) pay property tax revaluation costs; and (3) pay the costs associated with preparing, amending, or adopting a municipal plan of conservation and development. By law, the municipality's budget-making authority must recommend, and its legislative body must approve, any expenditure from the reserve fund.

§ 12 — TOWN AID ROAD

Expands the eligible uses of Town Aid Road program funds by adding construction, reconstruction, improvements, and maintenance to increase resiliency against increased precipitation, flooding, sea level rise, and extreme heat

The bill expands the eligible uses of municipal Town Aid Road (TAR) program grants to include construction, reconstruction, improvements, and maintenance to increase resiliency against increased precipitation, flooding, sea level rise, and extreme heat.

By law, $12.5 million of money appropriated to DOT is allocated each fiscal year for distribution under the TAR program. Currently, municipalities can use their TAR grant for a variety of activities, such as

highway and bridge construction or maintenance, snow plowing and sanding, tree trimming or removal, installing traffic signs and signals, traffic control, vehicle safety programs, parking planning, and providing essential public transportation services and facilities.

§§ 13-16 — PLANS OF CONSERVATION AND DEVELOPMENT

Generally expands the information that must be included in local, regional, and the state's plans of conservation and development to include strategies for responding to, and information related to, climate change effects (e.g., increased precipitation or extreme heat)

Plans of conservation and development are statements of development, resource management, and investment policies created by certain government entities. Municipalities and COGs must update their plans at least once every 10 years, and OPM must submit an updated plan to the legislature for its approval once every five years (CGS §§ 8-23, 8-35a & 16a-24 et seq.).

The bill requires each type of plan (i.e. local, regional, and state) to include strategies for responding to, and information related to, climate change effects, as described below.

Local Plans (§§ 13 & 14)

Required Considerations. State law sets out what local planning commissions (or a special committee a commission appoints) must consider when preparing local plans of conservation and development, including things like the municipality's needs; protecting and preserving agriculture; using development patterns that are consistent with the municipality's soil, terrain, and infrastructure capacity; the state and regional plans of conservation and development; and the most recent sea level change scenario.

For plans adopted on or after October 1, 2026, the bill broadens the commissions' considerations to include the most recent hazard and climate projections from federal and state authorities, such as the National Oceanic and Atmospheric Administration (NOAA), FEMA, the U.S. Environmental Protection Agency (EPA), and UConn.

Plan Purposes. State law sets the requirements for local plans of

conservation and development. The bill adds to the mandated content by requiring plans adopted beginning October 1, 2026, to:

1. include a climate change vulnerability assessment (see below);

2. take into account identified threats, vulnerabilities, and impacts from the vulnerability assessment for the recommended most desirable land uses;

3. note inconsistencies with reducing vehicle mileage as a growth management principle;

4. identify infrastructure (e.g., facilities, public utilities, and roadways) critical for evacuation and sustaining quality of life during a natural disaster that must always be operational;

5. identify strategies and design standards that may be used to avoid or reduce risks from natural disasters, hazards, and climate change; and

6. include geospatial data that is (a) used to prepare the plan or (b) needed to convey the plan's information.

The bill allows local plans of conservation and development to identify areas vulnerable to climate change effects to prioritize funding for infrastructure needs and resilience planning.

Under the bill, the climate change vulnerability assessment must (1) be based on information from the above-referenced state and federal authorities (i.e. NOAA, FEMA, EPA, and UConn) and (2) assess existing and anticipated threats to and vulnerabilities from natural disasters, hazards, and climate change (e.g., increased temperatures, drought, flooding, wildfire, storms, and sea level rise). It must also assess the impacts of the disasters and hazards to individuals, communities, institutions, businesses, economic development, public infrastructure and facilities, public health, safety, and welfare.

Additionally, the assessment must:

1. identify goals, policies, and techniques to avoid or reduce the above threats, vulnerabilities, and impacts;

2. describe any consistencies and inconsistencies between the assessment and any existing or proposed municipal natural hazard mitigation plan, floodplain management plan, comprehensive emergency operations plan, emergency response plan, post-disaster recovery plan, long-range transportation plan, or capital improvement plan; and

3. identify and recommend any needed (a) integration of data from the assessment into these plans and (b) actions to make the assessment and plans consistent.

Lastly, the bill allows a planning commission or its special committee to use information and data from the plans that are compared for consistency as part of the vulnerability assessment (e.g., hazard mitigation or emergency response plans) when preparing the plan of conservation and development. This explicitly includes using a document the applicable COG coordinated. However, this data cannot be incorporated by reference; it must be summarized and applied in the plan to the municipality's specific policies, goals, and standards.

Optional Commission Recommendations. The bill similarly expands the topics for which commissions and special committees may make recommendations in their plans. Existing law permits recommendations for things such as airports; parks; locations for public buildings, public utilities, and public housing projects; programs to implement the plan; and priority funding areas.

The bill also permits recommendations for a (1) land use program to promote reducing and avoiding risks from natural disasters, hazards, and climate change; (2) transfer of development rights program, which sets criteria for sending and receiving sites and related technical details (see § 20 below); and (3) identifying a resiliency improvement district, which the bill authorizes municipalities to establish (see §§ 23-32 below).

Plan Submission. Under existing law, the planning commission must submit a copy of the plan to OPM, along with a description of any inconsistencies between the plan and the state plan of conservation and development, within 60 days after adopting it. The bill requires that (1) the submission also include the geospatial data used to prepare the plan, as prescribed by the OPM secretary, and (2) the described inconsistencies include a comparison with the applicable regional plan of conservation and development.

Regional Plans (§ 15)

By law, regional conservation and development plans must, among other things, identify areas where it is feasible and prudent to promote compact, transit-accessible, pedestrian-oriented mixed-use development patterns. They also note inconsistencies of those patterns with certain specified growth management principles, such as protecting environmental assets that are critical to public health and safety. The bill adds protecting ecosystem services to these principles.

Current law allows for regional plans of development to encourage energy-efficient development patterns, use of solar and other forms of renewable energy, and energy conservation. Under the bill, the plans may also include land use strategies to reduce climate change effects, and the development patterns must be resilient in addition to energy efficient.

The bill also requires these plans, beginning October 1, 2025, to (1) show consistency with the regional long-range transportation plan and the regional summary of the hazard mitigation plan (where there is a regional hazard mitigation plan) and (2) identify critical facilities in the region along with geospatial data showing the facilities' location, address, and general function. This data must be available to DESPP, DOT, and OPM if they ask for it.

State Plan (§ 16)

The state plan of conservation and development (POCD) is a five-year plan to guide state agency action affecting land and water

resources. OPM, through its secretary, prepares revisions to the plan and the law specifies numerous considerations and components the POCD must address and include (CGS § 16a-24 et seq.).

The bill broadens the required considerations and recommendations related to flooding and erosion beginning with POCDs adopted after the adoption of the 2025-2030 POCD. Specifically, as shown in the table below, these later plans must also (1) consider risks from changes in the rate and timing of precipitation and increased average temperatures from extreme heat; (2) identify impacts from the extreme heat and drought; and (3) make land use strategy recommendations that minimize risks to public health, infrastructure, and the environment.

Table: Required POCD Contents Under Current Law and the Bill

Current Law (2025-2030 POCD)	*Future POCDs Under the Bill*
Consider risks due to increased coastal flooding and erosion (depending on site topography), based on the most recent sea level change scenario for Connecticut published by UConn's Marine Sciences Division	Consider risks due to: • increased flooding and erosion (depending on site topography), based on the most recent sea level change scenario for Connecticut published by UConn's Marine Sciences Division and other sources OPM deems appropriate, and • changes in the rate and timing of annual precipitation and increased average temperatures from extreme heat
Identify impacts from the increased flooding and erosion on infrastructure and natural resources	Identify impacts from extreme heat, drought, and increased flooding and erosion on infrastructure and natural resources
Make recommendations for siting future infrastructure and property development to minimize using areas prone to the flooding and erosion	Make recommendations for: • siting future infrastructure and property development to minimize using areas prone to the flooding and erosion and • land use strategies that minimize risks to public health, infrastructure, and the environment
Consider the state's greenhouse gas (GHG)	Consider the state's GHG reduction goals*

Current Law (2025-2030 POCD)	Future POCDs Under the Bill
reduction goals*	

*The Global Warming Solutions Act requires the state to reduce GHG emissions to certain levels, like 45% below 2001 emission levels by January 1, 2023, and 80% below 2001 emission levels by January 1, 2050. It also requires the state to reduce GHG emissions from electricity supplied to electric customers in the state to zero percent by January 1, 2040 (CGS § 22a-200a).

§ 17 — CIVIL PREPAREDNESS PLAN

Beginning October 1, 2028, requires the state's civil preparedness plan and program to consider observed and projected climate trends related to certain situations

By law, the DESPP commissioner must prepare a comprehensive state plan and program for civil preparedness (activities and measures to address certain disasters or emergencies), subject to the governor's approval. Beginning October 1, 2028, the bill requires the plan and program to consider observed and projected climate trends related to extreme weather events, drought, coastal and inland flooding, storm surge, wildfire, extreme heat, and any other hazards the commissioner deems relevant.

§ 18 — ZONING REGULATIONS

Requires that municipal zoning regulations provide for proper ways to mitigate and avoid the negative effects of sea level change; allows the regulations to (1) require or promote resilience and (2) give incentives for using flood-risk reduction building methods

The bill requires that zoning regulations adopted under the Zoning Enabling Act (as opposed to a special act) include proper ways to mitigate and avoid the potential negative effects of sea level change on public health, public welfare, and the environment. In doing so, the regulations must consider the most recent sea level change scenario for Connecticut published by UConn's Marine Sciences Division.

The bill allows zoning regulations to require or promote resilience (i.e. the ability to prepare for and adapt to changing conditions and withstand and recover rapidly from deliberate attacks, accidents, or naturally occurring threats or incidents, such as those associated with climate change), including risks from extreme heat, drought, or prolonged or intense precipitation. It also allows them to give incentives for developers who use flood-risk reduction building methods.

EFFECTIVE DATE: October 1, 2025

§§ 18-20 & 35 — TRANSFER OF DEVELOPMENT RIGHTS

Allows municipal zoning regulations to provide for (1) a regional TDR system and (2) sending and receiving sites in conjunction with a multi-town or regional TDR system; allows COGs to administer joint or multi-town TDR systems; allows two or more municipalities to set up a TDR bank; sets criteria for eligible sending and receiving sites

Municipal or Regional TDR Systems (§§ 18, 20 & 35)

A transfer of development rights (TDR) system involves separating the right to develop land from the land itself, a process that makes the development right a marketable credit. These systems usually involve designating (1) preservation areas (i.e. sending sites) where building is restricted and (2) development areas (i.e. receiving sites) where developers can exceed permitted densities if they buy development rights from owners in the preservation areas. Existing law allows (1) a single municipality to establish a TDR system through its zoning regulations and (2) two or more municipalities to enter into an agreement for a joint or multi-town TDR system.

The bill allows municipalities to provide for (1) a regional TDR system through their zoning regulations, just as existing law allows for municipal TDR systems, and (2) sending and receiving sites in conjunction with a multi-town or regional TDR system. The bill also allows COGs or other agencies to administer these joint or multi-town TDR systems.

As under current law for municipal TDR systems, the bill allows regional TDR systems to vary density limits in connection with a transfer. It also eliminates the current requirement that a TDR system adopted through zoning regulations require both parties (transferors and transferees) to apply jointly for the transfer.

TDR Banks (§ 20)

The bill allows two or more municipalities that have entered into a TDR agreement to enter into an interlocal agreement to set up a TDR bank. (It does not specify a TDR bank's purposes or duties.) These interlocal agreements must:

1. identify the receiving site and include the local development rights legislation that was or will be adopted by the municipality or municipalities where the site is located,

2. describe procedures for terminating the TDR bank, and

3. describe the conversion ratio to be used in the receiving site.

Under the bill, the conversion ratio may express the extent of additional development rights in any combination of units, floor area, height, or other applicable development standards that the municipality may modify to create incentives for purchasing development rights.

Eligible Receiving Sites. Under the bill, each of these receiving sites must be:

1. eligible to connect with a public water system;

2. within one-half mile from public transportation facilities (e.g., rail and bus stations) and above the 500-year flood elevation;

3. outside the boundaries of core forest (i.e. unfragmented forest land that is at least 300 feet from the boundary between forest land and non-forest land, as determined by the DEEP commissioner); and

4. outside the boundaries of any area impacted by the state's most recent sea level change scenario.

Eligible Sending Sites. The bill specifies that eligible sending sites may include:

1. core forest or agricultural land;

2. farm land classified under the "PA 490 program" (which allows eligible land to be assessed for property tax purposes based on its current use, rather than its fair market value);

3. areas identified as containing habitat for endangered or

threatened species (as identified under state or federal law or a written determination of the U.S. Fish and Wildlife Service or state and federally recognized tribe); and

4. areas within the boundaries of a floodplain or area impacted by the state's most recent sea level change scenario.

Definitions (§ 19)

Under the bill, a "receiving site" is one or more designated sites or land areas to which development rights from one or more sending sites may be transferred and where increased development is allowed to occur because of the transfer. A "sending site" is one or more designated sites or land areas in which development rights are designated for use in one or more receiving sites.

EFFECTIVE DATE: July 1, 2025, except the section defining receiving and sending sites is effective upon passage.

§ 21 — STATE WATER PLAN UPDATE

Requires the state water plan's next update to (1) consider (a) the potential impact of climate change on water resource quality and (b) temperatures and precipitation information when identifying water quantities and qualities for various uses and (2) include recommendations and an implementation plan for reducing effects on water from climate change and extreme weather

The bill requires the next update to the state water plan to consider (1) the potential impact of climate change on water resource quality and (2) past conditions and predictions of future temperatures and precipitation when identifying available quantities and qualities of surface water and groundwater that are for public water supply, health, economic, recreation, and environmental benefits on a regional basin scale. It must also have recommendations and an implementation plan to reduce effects on water quality and quantity from climate change and extreme weather events.

By law, the Water Planning Council (WPC) is responsible for preparing and periodically updating the state water plan, which is used to manage the state's water resources. The WPC is comprised of the DEEP and Department of Public Health (DPH) commissioners, the

Public Utilities Regulatory Authority (PURA) chairperson, and the OPM secretary, or their designees. Adoption of the plan, and revisions to it, involves (1) an opportunity for the public to review the plan, attend a public hearing on it, and submit written comments; (2) legislative review, which may include a public hearing; and (3) approval by the governor if the legislature does not timely approve it (i.e. within 24 months after its original submission) (CGS §§ 25-33o and 22a-352).

§ 22 — WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM REGULATION AND PERMIT REVIEW

On a 10-year basis beginning by the end of 2028, requires DEEP, DPH, and PURA to review and revise their water supply regulations and DEEP and DPH to review and revise their sewage disposal system permitting processes and related regulations, all to include certain projections

The bill requires DEEP, DPH, and PURA to each (1) review their respective regulations on water supply and (2) revise them to include the most concurrent projections on precipitation, temperature, and other conditions that could impact water quality, quantity, and distribution.

The bill also requires DEEP and DPH to each review and revise their sewage disposal system permitting processes and related regulations to include the most concurrent projections on precipitation, flooding, sea level rise, and other conditions that could impact public safety and environmental quality.

These efforts must be done every 10 years, beginning by December 31, 2028.

§§ 23-32 — RESILIENCY IMPROVEMENT DISTRICTS

Creates a framework authorizing municipalities to establish resiliency improvement districts to finance capital projects addressing climate change mitigation, adaptation, or resilience; allows municipalities to finance projects in these districts by designating incremental property tax revenue and specified savings generated in the district, imposing benefit assessments on real property in the district, and issuing bonds backed by these revenue streams and other sources; allows municipalities to fix property tax assessments in the district for up to 30 years

Overview

The bill allows municipalities, through their legislative bodies, to

establish a resiliency improvement district to finance capital projects meant to address climate change mitigation, adaptation, or resilience. It allows a municipality to finance projects in the district by (1) designating all or part of the new or incremental real property tax revenue and specified savings generated in the district for repaying the costs incurred to fund the projects; (2) imposing assessments on real property in the district benefiting from certain public improvements (i.e. benefit assessments); and (3) issuing bonds with up to 30-year terms backed by various sources, including these revenue streams, to pay project costs.

The bill imposes certain criteria for designating a resiliency improvement district that generally parallel those in existing law for designating a tax increment financing district. It specifies a process for establishing a resiliency improvement district that, among other things, requires a municipality to (1) consider the proposed district's contribution to the municipality and its residents, (2) determine whether it conforms with its plan of conservation and development, and (3) hold at least one public hearing on the proposal.

It requires a municipality's legislative body to adopt a master plan for the resiliency improvement district and prescribes the plan's components, including a financial plan that defines the costs and revenue sources required to accomplish the master plan. It also allows municipalities to fix property tax assessments in the district for up to 30 years.

To carry out a district master plan, the bill allows municipalities to issue bonds with up to 30-year terms backed by various sources, including (1) their full faith and credit (i.e. general obligation (GO) bonds); (2) the income, proceeds, revenues, and property within the district; and (3) tax increment revenues, increased savings, and benefit assessments.

Establishing the District (§ 24(a), (d) & (e))

The bill allows a municipality's legislative body to establish a resiliency improvement district within the municipality's boundaries

subject to the bill's requirements. (Under the bill, a "municipality" is a town, city, borough, consolidated town and city, or consolidated town and borough.) The district is effective when the legislative body approves it and adopts a district master plan, as described below. If the municipality operates under a charter that prohibits these districts, the bill prohibits it from establishing one.

The bill also allows two or more contiguous municipalities to enter into an interlocal agreement to set up a district and adopt a district master plan for a district made up of contiguous properties partially located in each. They must adopt the agreement before they set up the district or plan according to the interlocal agreement law. The agreement must divide among the participating municipalities any power, right, duty, or obligation set out in the bill. As with other districts, joint districts are effective when the respective legislative bodies approve it and adopt a district master plan.

Advisory Board (§ 31)

The bill allows the legislative body of each applicable municipality to create a board to advise it and designated administrative entities on (1) planning, building, and implementing the district master plan and (2) maintaining and operating the district after the plan's completion. The advisory board's members must include people who own or occupy real property in or next to the district.

Conditions for Approval (§ 25)

The bill requires municipalities (through their legislative bodies, or board of selectmen if the legislative body is a town meeting) to take certain steps before establishing a district and approving a district master plan.

Planning Commission. The municipality must give the proposed district master plan to its planning commission, if it has one, and ask it to study the plan and issue a written advisory opinion, with a determination as to whether it is consistent with the municipality's plan of conservation and development.

Public Hearing. The municipality must hold at least one public hearing on the proposed district. It must publish notice of the hearing at least 10 days in advance in a conspicuous place on the municipality's website (or municipalities' websites, in the case of a joint district) and include (1) the hearing's date, time, and place; (2) a legal description of the proposed district's boundaries; and (3) the draft district master plan. The draft plan must also be (1) available for people to physically review it and (2) posted on each applicable municipality's website.

Approval Criteria. The municipality must determine whether the proposed district meets certain criteria. First, it must consider if it and its master plan will contribute to the municipality's well-being or improve its residents' health, welfare, or safety.

In addition, it must determine whether the proposed district meets the following conditions:

1. it must contain an area that experiences, or is likely to experience, adverse impacts from hazards or climate change (e.g., sea level rise, rising groundwater, extreme heat, wildfire, drought, or flooding);

2. it must have been identified in (a) a municipal hazard mitigation plan, (b) a local or regional plan of conservation and development, or (c) another related planning process;

3. the plan must show that it reduces risks from these identified adverse impacts in the district;

4. a portion of its real property must be suitable for commercial, industrial, mixed-use, or retail uses or transit-oriented development; and

5. it must not increase the vulnerability and risk to adjacent properties or other hazards in the district.

If there are existing residential uses in the district, the proposed district must also provide for replacing or renovating these residential

buildings under certain conditions. Specifically, if the district is in a flood zone or within the sea level rise boundaries in the sea level change scenario for Connecticut published by UConn's Marine Sciences Division, it must:

1. include a height standard of at least two feet of freeboard above the base flood elevation, or as designated by the state building code or municipal building requirements, whichever imposes a greater height standard, and indicate whether construction of or renovation to commercial or industrial buildings must be flood-proofed or elevated; and

2. allow vehicles to access these buildings at a height of two feet above base flood elevation.

Lastly, the original assessed value of the proposed district (i.e. the value of all taxable real property in the district as of the prior October 1), plus the original assessed value of all of the existing tax increment districts within the relevant municipalities, cannot exceed 10% of the total value of taxable property in the municipalities as of the October 1 immediately before the district's establishment. This calculation does not include any districts consisting entirely of contiguous property owned by a single taxpayer (i.e. parcels divided by a road, power line, railroad line, or right-of-way).

Dissolving the District or Changing Its Boundaries (§ 24(c))

Under the bill, a municipality's legislative body may generally vote to dissolve a district or change its boundaries at any time. But it may not dissolve the district or decrease its boundaries if the district has any outstanding bonds, other than municipal GO bonds.

District Powers (§ 24(b) & (f))

Development. The bill authorizes a municipality, within a district and consistent with its district master plan, to:

1. acquire, construct, reconstruct, improve, preserve, alter, extend, operate, and maintain property or promote development to meet

the plan's objectives (in doing so, it may acquire property, land, and easements through negotiation or by other legal means);

2. execute and deliver contracts, agreements, and other documents related to the district's operation and maintenance;

3. issue bonds and other obligations as the bill allows;

4. enter into fixed assessment agreements for real property in the district, subject to the restrictions described below;

5. accept grants, advances, loans, or other financial assistance from public or private sources and do anything necessary or desirable to secure the aid (the bill specifies that this funding includes funds from the Climate Change and Coastal Resiliency Reserve Fund, stormwater authorities, and flood prevention, climate resilience, and erosion control systems); and

6. according to terms it establishes, (a) provide services, facilities, or property; (b) lend, grant, or contribute funds; and (c) take any other action it is authorized to perform for other municipal purposes.

These powers are in addition to those the municipality has under the Constitution, the statutes, special acts, or the bill's other provisions.

Fixing Assessments in the District. The bill allows a municipality, through its board of selectmen, town council, or other governing body, to enter into written agreements with a taxpayer to fix the assessment of real property in the district for up to 30 years. The property's fixed assessment, plus the value of any future improvements, cannot be less than its assessment as of the last regular assessment date without the future improvements.

Fixed assessment agreements must be recorded on the municipality's land records. This recording (1) constitutes notice to the property's subsequent purchasers or encumbrancers, whether they acquire the property voluntarily or involuntarily, and (2) is binding.

A municipality may bring an action in the Superior Court for the judicial district in which it is located to force a taxpayer to comply with the agreement's terms.

Tax Abatements for Affordable Housing in the District. The bill specifies that it does not limit a municipality's authority under the law to offer, enter into, or change any tax abatement for real property in the district if that property has at least one affordable housing unit. (By law, a unit is affordable if it costs a household no more than 30% of its income, for households making up to the median income of the town where the unit is located.)

District Master Plan (§ 26)

Requirement. The bill requires a municipality's legislative body to adopt a (1) "district master plan" for the district and (2) statement of the percentage or amount of "increased assessed value" that will be designated as "captured assessed value" under the plan, as described below. It must adopt the plan (1) at the same time it adopts the district, subject to the bill's procedures, and (2) after receiving the planning commission's (or combined planning and zoning commission's) written advisory opinion or 90 days after it requested the opinion, whichever comes first.

Purpose. Under the bill, the "district master plan" is a statement of means and objectives prepared by the municipality, or municipalities acting under an interlocal agreement, relating to a district designed to do the following:

1. reduce the risk of, or exposure to, extreme events, hazards, and climate change effects;
2. support economic development;
3. provide housing opportunities in existing residential areas;
4. improve or broaden the tax base; and
5. build or improve the physical facilities and structures needed for

"resilience projects," "environmental infrastructure," or "clean energy projects."

Under the bill, "resilience projects" are those (including capital projects) designed and implemented to address climate change mitigation, adaptation, or resilience. They include projects (1) mitigating the effects of river, bay, sea, or groundwater rise; extreme heat or the urban heat island effect; or drought and (2) meant to reduce flooding risk. (By law, "resilience" is the ability to prepare for and adapt to changing conditions and withstand and recover rapidly from deliberate attacks, accidents, or naturally occurring threats or incidents, such as those associated with climate change.)

"Environmental infrastructure" is structures, facilities, systems, services, and improvement projects related to water, waste and recycling, climate adaptation and resiliency, agriculture, land conservation, parks and recreation, and environmental markets such as carbon offsets and ecosystem services. "Clean energy projects" are renewal energy projects using Class I renewable sources (e.g., wind and solar).

Components. The district master plan must include:

1. a legal description of the district's boundaries;

2. the tax identification numbers for its lots or parcels;

3. the present condition and uses of its land and buildings and how building and improving physical facilities or structures will reduce or eliminate risk from existing or expected hazards;

4. the district's existing or expected hazards;

5. the public facilities, improvements, or programs anticipated to be financed in whole or part;

6. if the district has existing residential housing, a plan to rehabilitate, build, or replace the housing, subject to the state's

plan of conservation and development and consolidated plan for housing and community development, that includes meaningful efforts to reduce displacement;

7. a plan for maintaining and operating the resiliency improvements after they are completed;

8. the district's maximum duration, which cannot exceed 50 fiscal years, beginning with the year in which the district is established; and

9. a financial plan, as described below.

Financial Plan Component. The bill requires the district master plan to include a financial plan that identifies the project costs and revenue sources required to accomplish the district master plan. The financial plan must contain:

1. cost estimates (a) for the anticipated public improvements and developments and (b) to support relocating or temporarily housing displaced residents;

2. the maximum amount of indebtedness to be incurred to implement the plan;

3. the anticipated revenue sources (e.g., increased savings, fees, assessments, grants, or other sources);

4. a description of the terms and conditions of any agreements, including any anticipated savings agreements, assessment agreements, contracts, or other obligations related to the master plan;

5. estimates of the district's increased assessed values and increased savings; and

6. for each year, the (a) portion of the increased assessed values and savings that will be applied to the plan as captured assessed values and (b) resulting tax increments.

Amending and Reviewing the Master Plan. The bill (1) authorizes the legislative body of each applicable municipality to amend the master plan and (2) requires it to review the plan at least once every 10 years after its initial approval in order for the district and plan to remain in effect. (However, as long as any debt authorized and issued by the municipality under the bill's authority is outstanding, a district cannot be dissolved for failing to comply with this requirement.) The bill specifies that these provisions do not apply to plans that include development funded in whole or part by federal funds if federal law prohibits it.

Tax Increment Revenues (§ 27)

In addition to imposing benefit assessments to finance projects, the bill allows municipalities to finance projects using the incremental (1) real property tax revenue generated in the district ("tax increment") and (2) savings to district residents or businesses resulting from the reduction of any existing insurance premium or other premium, surcharge, or fee after the district's implementation ("increased savings"). It also allows the municipality to use this revenue stream to repay the bonds issued to finance the projects, as described below.

Captured Assessed Value. The bill generally allows each applicable municipality to designate all or part of the district's tax increment and increased savings to finance all or part of the district's master plan. In the case of any existing or planned residential use in the district, it allows the municipality to use the percentage of this revenue and savings needed to (1) rehabilitate, build, or replace dwellings and (2) increase or improve access to affordable housing within the municipality, either in or next to the district.

Under the bill, the amount of tax increment revenue designated by the municipality is determined by the district's "captured assessed value," that is, the percentage or amount of the incremental increase in property values ("increased assessed value") that is used from year to year to finance the plan's project costs. The incremental increase in property values is the amount by which the value of the district's

property as of October 1 of each year ("current assessed value") exceeds its value as of October 1 of the tax year before the district was established ("original assessed value"). The captured assessed value is subject to any fixed assessment agreements.

Once the municipality establishes the district and adopts its master plan, its assessor must certify the original assessed value of the taxable real property within the district's boundaries. The assessor must also annually certify the:

1. current assessed value of the district's taxable real property,

2. amount by which the current assessed value has increased or decreased from the original assessed value, and

3. amount of the captured assessed value.

Apportioning Property Taxes in the Municipality. The bill requires that property taxes paid by property owners within the district be apportioned equally with the property taxes paid by other property owners in the municipality located outside the district. It specifies that its provisions do not authorize the unequal apportionment or assessment of taxes on real property in the municipality.

District Master Plan Fund (§ 27(c))

Under the bill, municipalities that designate a percentage or amount of captured assessed value in their district master plans must establish a fund for depositing the resulting incremental tax revenues and paying project costs. They must also deposit in the fund any benefit assessments imposed on real property in the district, as described below.

Account Structure. The fund must consist of a (1) project cost account and (2) development sinking fund account for any bonds issued to carry out or administer the district master plan. The bill authorizes the municipality to transfer funds between the accounts, as long as the transfers do not yield an insufficient balance in either account to cover its annual obligations.

The project cost account is pledged to and charged with paying project costs outlined in the financial plan, including reimbursing project cost expenditures incurred by a public body (e.g., the municipality, a developer, a property owner, or another third-party entity), other than reimbursements paid with bond proceeds.

The development sinking fund account is pledged to and charged with (1) paying interest and principal on district bonds as they come due, including any redemption premium; (2) paying the costs of providing or reimbursing any entity that provides a guarantee, letter of credit, bond insurance policy, or other credit enhancement device used to secure debt service payments on district bonds; and (3) funding any required reserve fund.

Depositing Tax Increment Revenues. The municipality must annually set aside all tax increment revenues on captured assessed values and deposit the revenues in a specific order. The revenues must first go to the development sinking fund account, in an amount necessary to pay the annual debt service on the bonds issued (considering estimated future revenues that will be deposited to the account and earnings on this amount), excluding any GO bonds issued by the municipality that are backed solely by its full faith and credit. Any remaining revenues must go to the project cost account.

Excess Revenues. At any time during the district's term, the municipality's legislative body may vote to return to the municipality's general fund any tax increment revenues remaining in either account that exceed the amount necessary to pay the account's obligations. In doing so, it must consider any transfers made between the accounts.

Audit Requirement. The bill requires the district master plan fund and its accounts to be audited annually by an independent auditor according to generally accepted accounting principles. The audit report must be (1) open to public inspection and (2) provided to the state's Auditors of Public Accounts.

Eligible Costs (§ 28)

The bill limits the use of a district master plan fund to paying certain costs for (1) improvements made within the district, (2) improvements made outside the district that are directly related to or necessary for the district's establishment or operation, and (3) environmental improvement projects developed by the municipality that are associated with the district.

Improvements Made in the District. The bill allows the fund to pay the following costs for improvements made within the district:

1. capital costs, as described below;

2. financing costs, including closing and issuance costs, reserve funds, and capitalized interest;

3. real property assembly costs;

4. technical and marketing assistance program costs;

5. professional service costs, including licensing, architectural, planning, engineering, development, and legal expenses;

6. maintenance and operation costs (i.e. the cost of the activities necessary to maintain and operate facilities after their development, including informational, promotional, and educational programs, as well as safety and surveillance activities);

7. administrative costs, including reasonable charges for the time municipal employees, other agencies, or third-party entities spend implementing a district master plan; and

8. organizational costs related to the district's planning and establishment, including the cost of conducting environmental impact studies, informing the public about the district, and implementing the district master plan.

Under the bill, capital costs include the cost of:

1. acquiring or constructing land, improvements, infrastructure, measures designed to improve resilience, environmental infrastructure, clean energy projects, public ways, parks, buildings, structures, railings, signs, landscaping, plantings, curbs, sidewalks, turnouts, recreational facilities, structured parking, transportation improvements, pedestrian improvements, and other related improvements, fixtures, and equipment for public or private use;

2. demolishing, altering, remodeling, repairing, or reconstructing existing buildings, structures, and fixtures;

3. remediating environmental contamination;

4. preparing a site and finishing work; and

5. incurring associated fees and expenses, such as licensing, permitting, planning, engineering, architectural, testing, legal, and accounting expenses.

Improvements Made Outside the District. For improvements made outside the district that are directly related to or necessary for establishing or operating the district, the fund may pay the:

1. portion of the costs reasonably related to constructing, altering, or expanding facilities required due to improvements or activities within the district, including roadways, traffic signals, easements, sewage or water treatment plants or other environmental protection devices, storm or sanitary sewer lines, water lines, electrical lines, fire station improvement, and street signs;

2. costs of public safety and public school improvements made necessary by the district's establishment; and

3. costs of mitigating any of the district's adverse impacts on the municipality and its constituents.

Benefit Assessments (§ 29)

Funding Mechanism. Under the act, a municipality that constructs, improves, extends, equips, rehabilitates, repairs, acquires, provides a grant for, or finances the cost of public improvements in a district may assess a proportion of these costs as a benefit assessment on real property in the district that benefits from these public improvements. It may, by ordinance, apportion the value of the improvements according to a formula that reflects the actual benefits accruing to the various properties because of the development and maintenance (presumably, the public improvements and their maintenance).

The municipality may (1) require property owners to pay the benefit assessments in annual installments for up to 50 years and (2) forgive the benefit assessments in any given year without affecting future installments. It may assess buildings or structures constructed or expanded in the district after the initial benefit assessment is imposed as if they existed at the time of the original benefit assessment.

Revising and Adopting the Assessments. The municipality must revise and adopt the assessments at least once a year within 60 days before the start of the fiscal year. If the municipality imposes the benefit assessments before acquiring or constructing the public improvements, it may subsequently adjust the assessments once the improvements are complete to reflect their actual cost.

Public Hearing and Notice Requirement. Before estimating and imposing a benefit assessment, the municipality must hold at least one public hearing on the payment schedule or any revisions to it. It must publish a notice of the hearing at least 10 days in advance in a conspicuous place on the municipality's website (or municipalities' sites for joint districts). The notice must include:

1. the hearing's date, time, and place;

2. a legal description of the district's boundaries;

3. a statement that all interested property owners in the district will

be given an opportunity to be heard at the hearing and file objections to the assessment amount;

4. the maximum assessment rate to be increased in any one year; and

5. a statement indicating that the proposed list of properties to be assessed and the estimated assessments against those properties are available at the town or assessor's office.

The notice may also include the maximum number of years that the assessments will be levied. The municipality must make the proposed benefit assessment schedule available to any member of the public, upon request, by the notice's publication date.

The bill generally applies the same statutory public hearing and appeal procedures to district benefit assessments as apply under existing law to municipal sewer system benefit assessments levied by water pollution control authorities (CGS § 7-250). It substitutes the municipality's board of finance (or legislative body if it has none) for the water pollution control authority for purposes of this process. The municipality must also follow this notice and hearing process when increasing benefit assessments or extending the number of years that they will be levied.

Collection and Enforcement. The municipality has the same powers to collect and enforce the benefit assessments as it does for municipal taxes. It must establish the payment due date and provide notice of the due date at least 30 days in advance by (1) publishing it in a conspicuous place on each applicable municipality's website (with the posting's date and time) and (2) mailing it to the last known address of each affected property owner. Assessment revenues must be paid into the appropriate district master plan fund account.

Unpaid benefit assessments are liens against the property. Property owners must pay the same interest rate on delinquent assessments as on delinquent property taxes (1.5% per month or 18% per year). The liens

(1) may be continued, recorded, and released in the same manner as property tax liens; (2) take precedence over all other liens and encumbrances, except those for municipal property taxes; and (3) may be enforced in the same way as property tax liens.

Bonds (§ 30)

To carry out or administer a district master plan or other functions under the bill's provisions, municipalities may issue bonds and other obligations (e.g., refunding bonds, notes, interim certificates, and debentures) backed by:

1. their full faith and credit (i.e. GO bonds);

2. the income, proceeds, revenues, and property within the district, including grants, loans, advances, or contributions from state, federal, or other sources;

3. tax increment and increased savings revenues and benefit assessments; or

4. any combination of these sources.

Under the bill, only the municipality's GO bonds count towards its bond cap.

The bill requires municipalities to authorize these bonds, without the state's consent, by resolution of its legislative body, regardless of any other statute, municipal ordinance, or charter provision governing municipal bond issuances. The municipality's legislative body, or the municipal officers to which the legislative body delegates authority for issuing the bonds, must determine:

1. how the bonds will be issued and sold;

2. their interest rates, including variable rates;

3. the term over which they will mature, which must be no more than 30 years;

4. when interest will be paid;

5. whether and under what terms bonds may be purchased or redeemed; and

6. all other issuing conditions.

It allows the municipality to secure the bonds by executing a trust agreement with a bank or trust company that contains reasonable provisions for protecting and enforcing bondholders' rights. Any pledge the municipality makes concerning such an agreement is (1) valid and binding from the time it is made; (2) immediately subject to a lien without physical delivery of the money; and (3) valid and binding against all parties with claims against the municipality, regardless of whether the parties received specific notice of the lien. It specifies that any expenses the municipality incurs in carrying out the trust agreement may be treated as project costs.

The bill assures bondholders that state and local entities may invest in the bonds and that the state will not limit or alter the district, or the municipality's powers and duties with respect to the district, until the bonds are repaid.

The bill specifies that its provisions do not restrict a municipality's ability to raise revenue to pay project costs by any other legal means.

Priority Projects (§ 32)

Under the bill, districts must prioritize the solicitation, selection, and design of infrastructure projects designed to increase resilience and that either:

1. use natural and nature-based solutions meant to restore, maintain, or enhance ecosystem services and processes that maintain or improve environmental quality in or next to the district or

2. address the needs of environmental justice communities (i.e. distressed municipalities or areas where at least 30% of the

population consists of low-income people who are not institutionalized and have an income below 200% of the federal poverty level) or vulnerable communities (i.e. populations that may be disproportionately affected by climate change).

If the resiliency project results in affordable housing being demolished or reduced, the municipality, resiliency project developer, property owner, or a third-party entity must commit to replacing these units in the district within four years. If this is not feasible within the district, then the units must be replaced reasonably close to the district at a rate of at least two units for each one that would have otherwise been replaced in the district.

§ 33 — SECOND-GENERATION ANTICOAGULANT RODENTICIDES

Requires DEEP, by January 1, 2026, to classify second-generation anticoagulant rodenticides as restricted use pesticides

The bill requires the DEEP commissioner, by January 1, 2026, to classify all second-generation anticoagulant rodenticides for restricted use, meaning that they may cause unreasonable adverse environmental effects. By law, this classification requires pesticides to be applied only by, or under the direct supervision of, a certified applicator or subject to other restrictions the commissioner imposes through regulations. (Currently, DEEP classifies these rodenticides for general use, meaning no specialized license is required to apply them.)

Under the bill, "second-generation anticoagulant rodenticides" are pesticide products containing brodifacoum, bromadiolone, difenacoum, or difethialone (see *Background*).

EFFECTIVE DATE: Upon passage

Background

Second-Generation Anticoagulant Rodenticides. Most rodenticides are anticoagulant compounds that interfere with blood clotting and cause death from excessive bleeding. Second-generation anticoagulants were developed to control rodents that are resistant to first-generation anticoagulants. These pesticides are more likely to be

effective after a single feeding and may remain in animal tissue longer than first-generation products. They are registered only for the commercial and structural pest control markets.

Related Bill. sHB 6915 (File 112), favorably reported by the Environment Committee, (1) prohibits using second-generation anticoagulant rodenticides in Connecticut, subject to certain exemptions, and (2) requires DEEP to report to the Environment Committee on the potential implications of applying existing restrictions and licensing requirements to this rodenticide use.

§ 34 — NEONICOTINOIDS

Prohibits, beginning January 1, 2026, selling, possessing, or using pesticides with neonicotinoids; exempts certain uses (e.g., on agricultural plants or to eliminate certain invertebrate pests)

The bill prohibits, beginning January 1, 2026, selling, possessing, or using a pesticide that has any neonicotinoid (see *Background — Neonicotinoids*). However, it exempts the following from the ban:

1. use on agricultural plants;

2. use to eliminate an invasive invertebrate pest if the DEEP commissioner, after consulting with the Connecticut Agricultural Experiment Station's (CAES) director, determines that there is no effective available alternative; and

3. any neonicotinoid that is not labeled for plant use, like those for pet care, veterinary purposes, or indoor or structural pest control.

The bill authorizes the DEEP commissioner to assess a civil penalty of up to $2,500 per violation to anyone who violates the ban.

EFFECTIVE DATE: Upon passage

Agricultural Plants

Under the bill, an "agricultural plant" is a plant or plant part that is grown, maintained, or produced for commercial purposes, such as for sale or trade, research or experiments, or use (in whole or part) in

another location. It includes things like a grain, fruit, vegetable, wood fiber or timber product, flowering or foliage plant or tree, seedling, transplant, or turf grass for sod. The bill excludes from the definition pasture or rangeland for grazing.

Invasive Invertebrate Pests

The bill allows the CAES director to consult with the Pesticide Advisory Council to determine if a pesticide is the only effective control option available for an invasive invertebrate pest.

Under the bill, this pest is any invertebrate species, including its eggs or other biological material that can propagate the species, that also:

1. is regulated or under quarantine by CAES or the U.S. Department of Agriculture or
2. occurs outside of its Level III ecoregion (i.e. an area defined by the EPA based on things like geology, vegetation, soils, and hydrology) and is, or threatens to be, a substantial pest to plants of economic importance, an environmental harm, or harmful to human, animal, or plant health.

Background — Neonicotinoids

By law, a neonicotinoid is a pesticide that selectively acts on an organism's nicotinic acetylcholine receptors (i.e. impacts the nervous system), including clothianidin, dinotefuran, imidacloprid, thiamethoxam, and any other pesticide that the DEEP commissioner, after consulting with CAES, determines will kill at least 50% of a bee population when up to two micrograms of it is applied to each bee (CGS § 22-61k). Neonicotinoids that are labeled for treating plants are "restricted use," and may only be applied by someone certified under state law to do so or by someone that person supervises.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute
Yea 24 Nay 9 (03/14/2025)