



## **2025 Acts Affecting Business and Jobs**

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## Notice to Readers

This report provides summaries of new laws (public acts) significantly affecting businesses and jobs enacted during the 2025 regular legislative session. It does not summarize acts that affect only (1) specific types of businesses (e.g., garages or construction companies) or (2) business sectors covered in other Acts Affecting reports, such as those concerning agriculture, banking, health professions, housing and real estate, and insurance. OLR's other Acts Affecting reports are, or will soon be, available on [OLR's website](#).

Each summary indicates the public act (PA) number. Not all provisions of the acts are included. The report does not include vetoed acts unless the veto was overridden. Complete summaries of public acts are, or will soon be, available on [OLR's website](#).

Readers are encouraged to obtain the full text of acts that interest them from the [General Assembly's website](#) or the Connecticut State Library.

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## **Business and Community Development Assistance**

### ***CIF 2030***

New legislation makes several changes to the Community Investment Fund (CIF) 2030 program, which is a five-year, state bond-funded program for financing qualifying economic and community development projects in eligible municipalities. The act (1) reduces the program's bond authorization by \$108 million (to \$767 million); (2) extends CIF project eligibility beyond public investment communities and alliance districts to also include distressed municipalities; and (3) moves out the due date for the CIF board's annual report from August 31 to October 15 ([PA 25-174](#), § 67, effective upon passage).

### ***Connecticut Brand Merchandise and Advertising Space***

This session, the legislature authorized the Department of Economic and Community Development (DECD) to set up and administer a program to sell Connecticut brand merchandise and advertising space for Connecticut businesses. The new law directs the program's proceeds to the Tourism Fund ([PA 25-165](#), § 5, effective July 1, 2025).

### ***DECD Assistance for Cultural and Historic Sites***

New legislation requires the DECD commissioner to establish, within available resources, a grant program for nonprofit organizations that own or operate cultural and historic sites in the state to make capital improvements. He must relatedly develop eligibility criteria and application forms, accept applications on a continuing basis, and annually report on the program.

Separately, the act authorizes the commissioner to require, for any grant up to \$100,000 to a nonprofit organization sponsoring cultural and historic sites, a lien placed on certain real or personal property in favor of the state to ensure that the grant amount will be repaid in the event of a change in use of the property ([PA 25-174](#), §§ 114 & 137, effective upon passage, except the lien provision is effective July 1, 2025).

Additionally, another new law allows the DECD commissioner to convey certain state property (specifically property under the agency's control) for use as a cultural or historical attraction or site. Under existing law, he may convey property if it will be used for certain manufacturing, economic base, or businesses purposes ([PA 25-165](#), § 8, effective July 1, 2025).

### ***DECD Rural Infrastructure Grant Program***

A new law authorizes up to \$30 million in general obligation (GO) bonds and requires DECD to use the proceeds to provide grants for infrastructure projects necessary to support housing or economic

development in rural areas (e.g., establishing or expanding utility services). Under the act, “rural area” means a (1) municipality with a population of no more than 10,000 (based on the most recent federal decennial census) or with a population density of less than 500 people per square mile or (2) census tract or town designated as rural by the federal Health Resources and Services Administration ([PA 25-174](#), § 116, effective July 1, 2025).

### ***EXP Preference for Disabled Veteran-Owned Businesses***

The Small Business Express Program (EXP) is administered by DECD and was created to provide eligible small businesses financial assistance to fuel growth. A new law allows DECD to give preference for the program to applicants that are disabled veteran-owned businesses. To qualify for this preference, the small business must be majority-owned by one or more disabled veterans with a U.S. Department of Veterans Affairs disability rating of at least 30% ([PA 25-95](#), § 16, effective July 1, 2026).

### ***Greyfield Revitalization Program***

New legislation allows the DECD commissioner to create a greyfield revitalization program. Under the program DECD, the Connecticut Municipal Redevelopment Authority, and the Capital Region Development Authority may use bond funds and available resources to provide up to \$50 million in grants or loans for repurposing greyfields. Under the act, a “greyfield” is any previously developed commercial retail or office property that (1) is economically nonviable in its current state and exhibits conditions that significantly complicate its redevelopment or reuse, as determined by the DECD commissioner, and (2) is not currently eligible for any brownfield remediation and development program ([PA 25-174](#), §§ 112 & 113, effective July 1, 2025).

### ***Repeal of Connecticut New Opportunities Fund***

This session, the legislature repealed a law requiring Connecticut Innovations, Inc. to establish the Connecticut New Opportunities Fund to invest in seed stage and emerging growth companies in the state. The fund was enacted in 2005 but never established ([PA 25-168](#), § 68, effective upon passage).

### ***Small and Minority Owned Business Set-Aside Program***

A new law makes changes to the state’s Small and Minority Owned Business Set-Aside Program. Among other things, it converts the set-aside program into a spending allocation program. It replaces the 25% set-aside requirements for small contractors or minority business enterprises (MBEs) with (1) annual spending allocation goals for goods and services by industry category and (2) contract-specific spending allocation goals for public works contracts, based on the percentage

of available businesses in the relevant industry and geographic market area. By law, MBEs include small contractors with majority ownership by women, minorities, or people with disabilities who meet certain criteria ([PA 25-168](#), §§ 198-227, effective October 1, 2025).

### ***State Assistance to Nonprofits for Specified Purposes***

New legislation allows the state, within available appropriations, to provide financial assistance, lend staff, and make in-kind contributions to any nonprofit in Connecticut for (1) providing technical assistance and business expertise to new companies located, or planning to locate, in Connecticut, and (2) promoting economic growth and business expansion here by collecting, organizing, and disseminating information, expertise, and other resources for individuals and groups to use ([PA 25-165](#), § 9, effective July 1, 2025).

### ***Strategic Supply Chain Program***

New legislation allows the DECD commissioner to create a strategic supply chain program. The program may provide up to \$50 million in financial assistance (grants, loans, subsidies, or tax credits) to support proposed projects to establish or expand companies, facilities, or workforce training efforts within the supply chains of major and emerging industries in Connecticut, as determined by the commissioner. The act requires DECD to develop a competitive application process and criteria to evaluate and select applications for funding ([PA 25-174](#), § 115, effective July 1, 2025).

## **Business Law and Practice**

### ***Antidiscrimination Protection for Victims of Sexual Assault and Human Trafficking***

A new law expands the classes protected by the Commission on Human Rights and Opportunities antidiscrimination laws to include sexual assault victim status and trafficking in persons victim status (“victim status”). Specifically, the act prohibits discrimination on the basis of such victim status in employment and several other areas. With exceptions, these prohibited discriminatory acts include (1) denying membership to certain professional or trade associations because of the person’s victim status, (2) firing or refusing to hire someone due to their victim status, and (3) discriminating in pay or employment terms because of the person’s victim status.

The act also establishes certain requirements specifically for state agencies and officials, such as generally requiring them to disregard someone’s victim status when recruiting, evaluating, and promoting personnel, among other things. State agencies that provide employment referrals or



placement services must reject any employer's job request that indicates an intention to exclude anyone based on his or her victim status.

Additionally, the new law generally requires state agency, municipal public works, and quasi-public agency project contracts to have a provision (1) prohibiting the contractors from discriminating or allowing discrimination based on victim status and (2) requiring them to take affirmative action to ensure that applicants with job-related qualifications are employed and that employees are treated without regard to their victim status ([PA 25-139](#), §§ 5, 6, 9, 11 & 15, effective October 1, 2025).

### ***Commercial Financing Registrants***

Among other things, provisions in an omnibus banking act increase the base renewal fee for commercial financing registrants from \$500 to \$1,000 and specify that the banking department may consider certain misconduct by registrants' employees and agents against registrants ([PA 25-115](#), most provisions effective October 1, 2025).

### ***Commercial Waivers and Civil Process***

A new law provides that in commercial transactions when a defendant has waived the right to notice and a hearing, the plaintiff's attorney must issue the writ for prejudgment remedy without a court order if, in addition to previously existing requirements, the plaintiff's lawyer serves process of the complaint to be returned to the court (1) within 12 days, inclusive, after the earlier of (a) service of process upon the defendant preventing the dissipation of property or (b) service of process upon any third person holding property of the defendant and (2) at least six days before the return date ([PA 25-91](#), §§ 29 & 30, effective July 1, 2025).

### ***Regulatory Flexibility Analyses***

This session, the legislature expanded the information that must be included in the regulatory flexibility analysis that agencies must prepare before adopting regulations that directly affect small businesses. Under a new law, the analysis must include whether small businesses, to comply with the proposed regulation, may be required to (1) retain records for a period of time; (2) change or provide an additional employee benefit; or (3) change a product manufactured by the small business or its packaging ([PA 25-109](#), effective July 1, 2025).

### ***Service of Process on Limited Liability Companies***

A new law expands who may be served process (e.g., complaint or petition), notice, or demand in any action against a limited liability company (LLC) or registered foreign LLC. Previously this process could be made only by leaving a true and attested copy with the company's registered agent or at

his or her usual place of abode (residence) in Connecticut. The new law expands this by allowing service to also be made as follows:

1. upon the company's manager or employee or at his or her usual place of abode in Connecticut;
2. to the LLC's principal office if the LLC or registered foreign LLC ceases to have a registered agent or if the agent cannot be served with reasonable diligence;
3. to the LLC's mailing address, which must be submitted by law to the secretary of the state; and
4. if the process, notice, or demand cannot be served as described above, the law allows service to the individual in charge of any regular place of business or activity of the LLC (if the individual served is not a plaintiff in the action) ([PA 25-78](#), § 11, effective October 1, 2025).

### ***Total Price Disclosure***

This session, the legislature generally prohibited businesses that offer to sell, lease, or provide any goods or services to any individual or entity from advertising, displaying, or offering them for a price that does not include all fees, charges, and costs, excluding applicable taxes ([PA 25-44](#), § 1, effective July 1, 2026).

### ***Uniform Commercial Code — Digital Assets***

This session, the legislature passed a law making numerous changes to the Uniform Commercial Code (UCC), which is a set of rules governing commercial transactions, like the sale of goods, leases, bank deposits, and secured transactions. This new law adds an article on digital assets (Article 12) and makes corresponding changes to other articles to set rules for transactions involving these assets related to negotiability, transfer and payment rights, and secured lending. The UCC revisions also, among other things:

1. establish rules for hybrid transactions under the UCC's sale or lease of good provisions;
2. specifically allow for negotiable instruments to have image and other information transmitted as an electronic check and funds transfers to have symbols, sounds, and biometrics as a security procedure; and
3. redefining terms that apply to paper transactions with those that also cover electronic documents ([PA 25-145](#), effective January 1, 2026).

## ***Uniform Commercial Code — False Records***

By law, when a record was falsely filed or amended under the UCC for secured transactions, a person identified in the record may petition the court to invalidate the record. The court must review the petition and determine whether cause exists to doubt the record's validity. Under prior law, if the court determines that cause exists, the court must hold a hearing to determine whether to invalidate the record or grant any other relief deemed appropriate. A new law instead makes this hearing permissive and specifies that the court's finding may be made solely on a review of the documentation attached to the petition and the responses, if any, of the person named as a secured party in the financing statement record and without hearing any oral testimony if the secured party offers none ([PA 25-91](#), § 4, effective July 1, 2025).

## **Consumer Protection**

### ***Automatic Renewals and Continuous Services***

New legislation requires each business that enters into a consumer agreement that includes an automatic renewal or continuous services provision to (1) send consumers an annual reminder with certain information and (2) enable consumers to stop the renewal or services through a website, email, or telephone ([PA 25-44](#), § 7, effective July 1, 2026).

### ***Connecticut Data Privacy Act***

A new law expands various aspects of the Connecticut Data Privacy Act, including expanding who is covered under the act, requiring those who do certain profiling (i.e. automated processing of personal data to evaluate and predict a certain individual's characteristics) to conduct impact assessments, and modifying various definitions and exemptions ([PA 25-113](#), §§ 5-18, effective July 1, 2026).

### ***Home Improvement Contractor Advertising***

A new law creates an alternate way for certain home improvement contractors to satisfy the requirement that they include the fact they are registered and their registration number in any advertisement. It permits them to instead include, unless it is a direct-to-consumer advertisement, a telephone number or link to a website where someone can get or see a statement on whether the contractor is registered and his or her registration number. This alternative is available to any home improvement contractor that is a publicly traded business entity listed on any stock exchange within the United States that spends at least 30% of its advertising expenditures on campaigns concurrently directed at audiences in at least five states ([PA 25-113](#), § 22, effective October 1, 2025).

## ***New Home Construction Guaranty Fund***

This session, the legislature expanded eligibility for the New Home Construction Guaranty Fund. Under existing law, a consumer can recoup money from the fund for uncollectable judgments against a new home construction contractor for losses or damages they caused. A new act additionally allows consumers with uncollectable judgments against a proprietor (an individual who has an ownership interest in the new home construction company) to recoup money from the fund.

The new act also (1) increases, from \$30,000 to \$50,000 per claim, the maximum amount consumers may recoup from the fund and (2) lowers, from \$750,000 to \$650,000, the fund's annual cap ([PA 25-53](#), §§ 5 & 6, effective October 1, 2025).

## ***Price Gouging***

Existing law prohibits certain price gouging behaviors during declared civil preparedness, transportation, and certain other emergencies. A new law defines what constitutes charging an “unconscionably excessive price” (i.e. price gouging) during these emergencies. It also expands the price gouging law’s application during declared emergencies beyond the retail sale of consumer goods to other supply chain transactions (e.g., wholesale) and to rental and lease transactions ([PA 25-44](#), §§ 5 & 6, effective July 1, 2025).

## ***Requirement to Accept Cash and Use of Devices to Convert Cash Into Prepaid Cards***

A new law generally allows retailers to comply with the requirement to accept cash as payment by providing customers with a device to turn cash into a prepaid card, as long as certain conditions are met. For example, use of the device cannot require (1) a fee for the initial receipt of the prepaid card or to use the card; (2) a minimum deposit above \$1; (3) an expiration date for the funds on the prepaid card; (4) a limit on the number of card transactions; or (5) a consumer to give their personally identifiable information to get the card ([PA 25-111](#), § 33, effective upon passage).

## ***Towing Reform***

New legislation enacted this session makes significant changes to the nonconsensual towing laws. The changes affecting businesses include (1) setting additional requirements for contracts that allow towing companies to act as a property owner’s agent for the purpose of authorizing nonconsensual tows; (2) extending warning sign requirements to all private parking facilities where unauthorized vehicles may be towed; (3) modifying the signs’ required contents and locations; (4) requiring parking rules to be posted before vehicles may be towed for violating them; and (5)

requiring 14 days' notice before a car may be towed from a parking facility solely due to an expired registration ([PA 25-55](#), most provisions effective October 1, 2025).

## ***Virtual Currency and Money Sharing Applications***

This session, provisions in an omnibus banking act impose several virtual currency-related requirements and restrictions on people who are or must be licensed as money transmitters under the state's Money Transmission Act. Among other things, the act takes several existing disclosure and receipt requirements that apply to virtual currency kiosk owners and operators and extends most of them to licensees that engage in the business of money transmission in Connecticut by receiving, transmitting, storing, or maintaining custody or control of virtual currency. The act also prohibits Connecticut and its political subdivisions (i.e. towns) from accepting or requiring payment in the form of virtual currency, or purchasing, holding, investing in, or establishing a virtual currency reserve.

Additionally, the act regulates minors' access to certain money sharing applications by imposing restrictions and duties on money transmission licensees, including requiring them, with exceptions, to delete a minor's money sharing application account within 30 business days after receiving a request to do so from the minor or the minor's parent or legal guardian ([PA 25-66](#), effective October 1, 2025).

## **Employee Compensation and Benefits**

### ***Connecticut Retirement Security Program***

This year, the legislature made several changes to the Connecticut Retirement Security Program. For participants who enroll in the program on or after July 1, 2025, the new law ties the employee default contribution rate (the amount they must contribute unless they affirmatively choose a different amount) to a federal law that generally requires a contribution rate to be between 3% and 10% for a participant's first year, and then increase by one percentage point each subsequent year until it is between 10% and 15%. The new law also creates a notice requirement and financial penalty for employers that fail to (1) enroll eligible employees in the program or (2) timely remit employee contributions to the program ([PA 25-30](#), effective July 1, 2025).

### ***TNC and Third-Party Delivery Company Drivers' Compensation***

This session, the General Assembly passed an act requiring the comptroller to study transportation network company (TNC, e.g., Uber and Lyft) and third-party delivery company drivers' compensation in the state. He must report on the study to the Labor and Public Employees Committee by July 1, 2026. The act also creates a working group to study TNC and third-party delivery company drivers'

working conditions and compensation. The working group must (1) review the comptroller's report and (2) submit its findings and recommendations to the Labor and Public Employees Committee by January 1, 2027 ([PA 25-168](#), §§ 228 & 229, effective upon passage).

### ***Workers' Compensation Benefits***

In response to a recent state Supreme Court decision, the General Assembly passed legislation that removes an administrative law judge's discretion to award temporary partial incapacity benefits instead of permanent, partial disability (PPD) benefits once an injured employee reaches maximum medical improvement.

The new law also (1) increases the duration of certain PPD benefits and expands the list of injuries eligible for PPD benefits; (2) allows a deceased employee's parents, when there are no dependents for distribution of workers' compensation benefits, to each receive an equal portion of the benefits; (3) creates a working group to study certain workers' compensation issues; and (4) allows injured workers to receive up to 60 weeks of supplemental benefits under certain limited circumstances ([PA 25-12](#), §§ 13-16, most provisions effective upon passage).

## **Employers**

### ***Business Reporting Requirements***

By law, employers subject to the state's unemployment compensation laws must submit quarterly wage reports to the Department of Labor (DOL) that include certain information about their paid employees. Legislation enacted this session eliminates a provision that would have allowed these employers, beginning with the third quarter of 2026, to also include data on each employee's occupation, hours worked, and primary worksite's zip code ([PA 25-62](#), effective July 1, 2025).

### ***Unemployment Insurance Taxes and Benefits***

By law, a portion of an employer's unemployment insurance taxes are based on the employer's "experience rate," which reflects the amount of unemployment benefits paid to the employer's former employees over a certain period. The law allows several non-charging separations in which an employee can collect benefits without affecting a former employer's experience rate.

A new law passed this session eliminates a provision that permitted a non-charge for employees who were paid benefits through the Shared Work program for claims filed in a week in which the state's average unemployment rate was 6.5% or more based on the most recent three months of DOL-published data. The Shared Work Program is a voluntary program that allows employers to

reduce their employees' work hours in place of layoffs, and affected employees receive a proportionally reduced unemployment benefit.

Additionally, the new law decreases, from 60 to 40 days after a quarterly statement (which outlines the employers' benefit charges for each claimant), the amount of time an employer has to file a written protest with DOL on the payment of unemployment insurance benefits due to alleged fraud or error ([PA 25-117](#), §§ 1, 2 & 5, effective October 1, 2025).

## **Environment, Health, and Safety**

### ***Battery Powered Smoke Detectors***

A new act generally bans the sale, offer of sale, and distribution of smoke detection and warning equipment that is only powered by batteries, unless the batteries are nonreplaceable, nonremovable, and capable of lasting at least 10 years. This ban does not apply to (1) equipment that is powered by the electrical system of a building, (2) fire alarm systems with smoke detection and warning equipment, (3) fire alarm devices that can connect to a panel, or (4) devices that use a low-power radio frequency wireless communication signal.

People may sell smoke detection and warning equipment that does not meet the above requirements on or after October 1, 2025, if they (1) possess the equipment as of October 1, 2025, or (2) placed an order for the equipment before that date. Violators may be fined up to \$100 for the first violation, and up to \$500 for subsequent violations ([PA 25-123](#), effective upon passage).

### ***Bottle Bill Revisions***

This session, the legislature made several changes to the bottle bill law. Among the changes, the new law:

1. requires redemption centers to be approved to operate by the Department of Energy and Environmental Protection (DEEP), and annually register with the agency, rather than just registering once;
2. establishes reporting requirements for centers that accept more than 2,500 containers from a person in one day;
3. generally prohibits anyone from redeeming more than 5,000 containers in any day;
4. generally prohibits redemption centers from removing containers from their premises prior to distributors removing them;
5. limits the number of containers a person may redeem at reverse vending machines or dealers per day;



6. prohibits dealers from collecting or charging a refund value for beverage containers that are not purchased in Connecticut; and
7. exempts THC-infused beverages and hard cider from the bottle bill's provisions ([PA 25-174](#), §§ 191-194, effective upon passage).

### ***E-Cigarette Shipping and Transporting Restrictions and Age Verification Requirements***

This session, the legislature placed restrictions on in-state shipping and transporting of e-cigarettes that are similar to those in law for cigarettes.

A new law passed by the General Assembly specifically requires sellers and their agents or employees to ask all prospective e-cigarette buyers to present a driver's license, passport, or ID card to prove that they are 21 or older. (A similar requirement applies under existing law for cigarette and tobacco product purchases.)

The new law also increases the maximum fines that may be imposed on anyone who provides an e-cigarette to a minor to \$1,000 for each offense, rather than the prior maximum fines of (1) \$300 for a first offense; (2) \$750 for a second offense committed within 24 months of the first offense; and (3) \$1,000 for each subsequent offense committed during that period. It authorizes the consumer protection commissioner to suspend or revoke an e-cigarette dealer's registration for violating any provision of the age verification laws ([PA 25-166](#), §§ 5, 6, 44 & 45, and [PA 25-168](#), §§ 395 & 396, generally effective July 1, 2025).

### ***Mandatory Battery Stewardship Program Participation***

This session, the legislature established a framework for statewide stewardship programs to manage the collection and recycling of certain batteries. Beginning January 1, 2027, it prohibits producers of batteries and battery-containing products that fail to participate in a battery stewardship organization from selling them in Connecticut. Among other things, the new law also establishes labelling requirements for them, including requiring a producer's identification mark (by January 1, 2028) and recycling labels (by January 1, 2030).

The act also (1) authorizes the DEEP commissioner to enforce the act's provisions under her general powers and to ask the attorney general to enforce the act's provisions; (2) extends certain antitrust and unfair trade practice liability protections to retailers, producers, and battery stewardship organizations; and (3) authorizes DEEP to cooperate with other states' battery recycling programs ([PA 25-34](#), effective October 1, 2025).



## ***Price Cap on Identified Prescription Drugs***

This session, the legislature passed a law that sets a cap on the prices for which pharmaceutical manufacturers and wholesale distributors can sell an identified prescription drug (e.g., a generic drug or brand name drug for which the exclusive marketing rights have expired) in the state. It also sets a civil penalty for violators, which includes an exception for those that made less than \$250,000 in sales in the state for the calendar year for which the penalty is being imposed. It also creates a process by which an aggrieved person can request a hearing to dispute the penalty ([PA 25-168](#), §§ 345-347, effective July 1, 2025).

## ***Transition to Release-Based Approach to Property Remediation***

In 2020, the legislature enacted a law to transition the state from its transfer-based approach to property remediation (i.e. the Transfer Act) to a release-based approach. Under that law, the release-based approach was effective when DEEP adopted regulations for the program (release-based clean-up regulations, or RBCRs). Under a 2025 law, the release-based approach is instead effective when the RBCRs take effect (March 1, 2026), rather than on their adoption date.

As part of this transition to a release-based approach to property remediation, the new law also exempts releases that are subject to the release-based clean-up law from having to meet the environmental hazards notification law's requirements once the RBCRs take effect. (Among other things, the environmental hazards notification law requires property owners to notify DEEP when they become aware of significant environmental hazards that pose a potential health risk to exposed individuals or the environment.) Under the new law, releases at properties that are exempt from the release-based cleanup law continue to be subject to the environmental hazards notification law ([PA 25-6](#), most provisions effective upon passage).

## ***Voluntary Parcel-Wide Remediation Program***

A new law replaces the state's voluntary remediation program with a new "voluntary parcel-wide remediation program" on the date the state's RBCRs take effect. The prior program was a way for property owners to expedite the remediation of eligible contaminated properties. The new program is similar, but incorporates specified requirements of the release-based cleanup laws and RBCRs. Among other things, it allows eligible properties to qualify for (1) additional time to complete certain investigation activities; (2) reduced fees under the RBCRs; and (3) increased liability protections ([PA 25-6](#), effective upon passage).

## **Government Contracting**

### ***Annual Adjustments to Prevailing Wage Rates***

Existing law requires contractors awarded contracts for state and municipal prevailing wage projects to adjust wage and benefit contributions each July 1 during the contract to reflect changes in the prevailing wage. A new law extends this requirement to contractors awarded contracts for (1) DECD prevailing wage projects (see *Prevailing Wage for Certain DECD-Assisted Projects*, below) and (2) renewable energy and hydrogen projects subject to prevailing wage requirements ([CGS § 31-53d](#)). For projects covered under existing law, these contractors must contact the labor commissioner by each July 1 during the contract to find out the current prevailing wage and contribution rates ([PA 25-168](#), § 147, effective July 1, 2025).

### ***Exemptions From Nonrelocation Agreements Requirements***

Under existing law, DECD and Connecticut Innovations, Inc. (CI) generally must require nonrelocation agreements as a condition of any financial assistance they provide. A new law makes any tax credit programs administered by DECD or CI exempt from these nonrelocation agreement requirements ([PA 25-165](#), § 7, effective July 1, 2025).

### ***Prevailing Wage for Certain DECD-Assisted Projects***

A new law limits the portion of certain DECD-assisted remediation projects that are subject to prevailing wage requirements. Specifically, for covered projects receiving DECD financial assistance for remediation, demolition, or pollution abatement in buildings, soil, or groundwater located at a project site, the act limits the portion of the project subject to these requirements to only the portion described in the financial assistance contract between the business or legal entity and DECD.

The new law also modifies the businesses and entities that are covered by this law by (1) explicitly including municipalities, regional councils of governments, state-certified brownfield land banks, and municipal and nonprofit economic development agencies receiving financial assistance from DECD and (2) exempting any federally tax-exempt 501(c)(3) nonprofit and 501(c)(6) chamber of commerce that accepts at least \$1 million in DECD financial assistance for a covered project valued at \$10 million or less, unless it is a remediation, demolition, or pollution abatement project as described above ([PA 25-168](#), § 146, effective July 1, 2025).

### ***Prevailing Wage for Off-Site Custom Fabrication***

A new law extends the state's prevailing wage law to cover off-site custom fabrication for a covered public works project. "Off-site custom fabrication" is fabricating mechanical systems specifically for

a public works project at a site other than the project's location but still in Connecticut. It includes plumbing, heating, cooling, pipefitting, ventilation, and exhaust duct systems but not components or materials that are stock shelf items or readily available ([PA 25-174](#), §§ 211 & 212, effective July 1, 2025).

## **Licensing and Certifications**

### ***Certified Public Accountant Requirements***

A new law changes the requirements for obtaining a certified public accountant (CPA) certificate, including eliminating good character requirements and modifying the education and experience requirements. It also alters the requirements for granting a practice privilege to a person with a principal place of business outside the state, which permits the person to act as a CPA in Connecticut without obtaining a Connecticut CPA certificate ([PA 25-36](#), effective October 1, 2025).

### ***Commercial Temporary Fishing License Changes***

Existing law allows the DEEP commissioner to temporarily reissue certain commercial fishing licenses (i.e. principal or general commercial fishing licenses and commercial lobster pot fishing licenses) under certain medical emergencies. Legislation passed this session requires the licensee to submit a written request for reissuance and include a medical note from the treating practitioner. The legislation also limits the length of the temporary license to one year, with the opportunity to extend if the emergency continues (under prior law, the temporary license continued for the duration of the emergency) ([PA 25-170](#), § 5, effective upon passage).

### ***Trade Apprenticeship Hiring Ratio Deviations***

Existing law sets a hiring ratio that certain trades must follow. The hiring ratio requires covered employers to have a certain number of licensed journeypersons or contractors before hiring another apprentice. It applies to the following trades: electrical; plumbing; heating, piping, and cooling; sprinkler fitter; and sheet metal work. Under certain conditions, a new law allows a licensed contractor in one of these fields to hire one or more additional apprentices even if the contractor does not employ enough licensees to satisfy the hiring ratio ([PA 25-47](#), effective October 1, 2025).

## **Targeted Development**

### ***Capital Region Development Authority (CRDA) & Connecticut Municipal Development Authority (CMDA)***

CRDA plays a role in development projects primarily in Hartford, but also in the “capital region.” Under prior law, the “capital region” encompassed seven municipalities that surround Hartford. A

new law excludes Newington and West Hartford from the capital region. Under prior law, municipalities in the CRDA capital region were not eligible to become CMDA member municipalities ([PA 25-73](#), § 12, effective July 1, 2025).

Another new law effectuates CMDA's name change (previously, it was called the Connecticut Municipal Redevelopment Authority). It also allows any municipality other than Hartford and East Hartford to work with CMDA and generally makes it easier for municipalities to opt to work with the authority ([PA 25-168](#), §§ 99-122, effective October 1, 2025).

### ***Connecticut Community Makerspace Initiative***

A new law requires the DECD commissioner to establish and administer, by January 1, 2026, a pilot program to give financial assistance to entities establishing or expanding "makerspaces." Among other things, makerspaces are community spaces that assist entrepreneurs in developing products and support workforce training and early business development. The commissioner must establish the program's eligibility criteria and application process. The new law caps funding at (1) \$250,000 for any applicant per fiscal year and (2) \$5 million for the pilot program in total. DECD must use \$1 million in previously authorized bonds for the pilot program and explore other additional funding options for it. Within two years after receiving funding, a pilot program participant must report to DECD on the progress of establishing or expanding their makerspace ([PA 25-149](#), effective July 1, 2025).

### ***Connecticut-Puerto Rico Trade Commission***

This session, the legislature established the Connecticut-Puerto Rico Trade Commission to advance bilateral trade and investment between Connecticut and Puerto Rico. Additionally, the new law requires the commission to initiate joint action on policy issues, promote business and academic exchanges, and encourage mutual economic support and infrastructure investment. Beginning by February 1, 2027, the commission must annually report to the governor, DECD, and the Commerce Committee on its activities and recommendations for policy and legislative changes needed to carry out its duties ([PA 25-13](#), effective upon passage).

### ***DOH Affordable Housing Bond Program***

New legislation authorizes up to \$50 million in GO bonds over four years, up to \$12.5 million per year from FY 26 through FY 29, for the Department of Housing (DOH) to finance projects to create employment opportunities in the construction industry by developing affordable housing. If DOH does not use all or part of the capped amount in a fiscal year, that amount is added to the capped amount for the following year ([PA 25-174](#), § 117, effective July 1, 2025).

## Taxes

This session the legislature made numerous changes to the laws on business tax credits and incentives, including:

1. establishing a new credit for contributions employers make to a qualifying employee's Connecticut Higher Education Trust account ([PA 25-168](#), § 374, effective July 1, 2025, and applicable to income and tax years starting on or after January 1, 2025);
2. eliminating the \$2.5 million cap on the amount a combined group's tax, calculated on a combined unitary basis, can exceed the tax it would have paid on a separate basis ([PA 25-168](#), §§ 354 & 355, effective upon passage);
3. increasing the cash refund a qualifying small biotechnology company may receive for research and development (R&D) and research and experimental (R&E) tax credits from 65% to 90% of the credit amount ([PA 25-168](#), § 358, effective July 1, 2025, and applicable to income years beginning on or after January 1, 2025);
4. establishing a tax credit administered by DOH for people and entities making cash contributions of at least \$250 to eligible developers building or rehabilitating qualifying workforce housing opportunity development projects in federally designated opportunity zones ([PA 25-168](#), § 97, effective upon passage, and applicable to income and tax years beginning on or after January 1, 2025); and
5. authorizing UConn to set up and administer a tax credit incentive program to promote and publicly recognize the university and its programs, services, and mission and creating a tax credit for amounts people, businesses, or entities paid to UConn according to a written agreement with the university under this program ([PA 25-168](#), §§ 384 & 385, effective upon passage and applicable to tax and income years beginning on or after January 1, 2025).

The legislature also made changes to the laws on property taxes and sales and use taxes, including on (1) farm machinery, (2) precious metals and rare and antique coins, and (3) cigarettes.

For more information on these laws, as well as other acts affecting business tax credits and incentives, see OLR's [2025 Acts Affecting Taxes](#) report.

## Workforce Development

### *Governmental Employment Opportunities Task Force*

This session, the legislature established a task force to study expanding governmental job opportunities for people with disabilities. The study must include best practices nationwide for governmental employment programs for people with disabilities and the costs and benefits of adopting these programs in Connecticut. The task force must report its findings and recommendations to the Government Administration and Elections, Human Services, Higher

Education and Employment Advancement, Judiciary, Labor and Public Employees, and Public Health committees by January 1, 2027 ([PA 25-148](#), § 1, effective upon passage).

### ***Health Care Career Promotion***

A new law requires the education commissioner, by January 1, 2026, to add radiologic technology, nuclear medicine technology, and respiratory care to an existing plan (developed by the state's chief workforce officer) on promoting health care career options to middle and high school students. The plan must promote these professions through (1) career day presentations; (2) partnerships with in-state education programs; (3) counseling programs to inform high school students about, and recruit them for, these professions; and (4) job shadowing and internship experiences for high school students ([PA 25-162](#), § 3, effective upon passage).

### ***Health Care Worker Housing Program Reporting***

A new law adds a reporting requirement to a program under which DOH and the Connecticut Housing Finance Authority (CHFA) must seek to partner with one or more hospitals in the state to increase workforce housing options. By January 1, 2026, DOH and CHFA must report to the Finance, Revenue and Bonding and Housing committees on the partnership's status, their activities to increase workforce housing options, and recommendations on other ways to increase these housing options ([PA 25-174](#), § 102, effective July 1, 2025).

### ***Preschool Through Twenty and Workforce Information Network***

A new law makes numerous changes to the Connecticut Preschool through Twenty and Workforce Information Network (or CP20 WIN), including renaming it the Preschool through Twenty and Workforce Information Network (or P20 WIN) to match current practice; codifying the Office of Policy and Management as its administrator; and requiring regional workforce development boards and the state's constituent units of higher education (UConn and the Connecticut State Colleges and Universities) to submit certain data to the network ([PA 25-119](#), §§ 2 & 5-7, effective July 1, 2025).

### ***Workforce Incentive Grant Program***

A new law modifies the eligibility criteria and parameters for DECD's grant program for nonprofits employing people with intellectual disability. Principally, the new law:

1. expands eligibility for the grants to all employers, rather than just nonprofits;

2. requires employers to meet specified eligibility criteria to qualify, including having a workforce composed of at least 5% people with intellectual disability and whose pay and employment terms meet certain conditions;
3. modifies the purposes for which the grants may be awarded to include programmatic costs, rather than start-up costs, in addition to infrastructure and expansion costs as existing law allows; and
4. changes the parameters (which are based on the percent of the workforce with intellectual disability) for qualifying for the program's \$25,000 and \$75,000 maximum grants ([PA 25-165](#), § 6, effective July 1, 2025).

## **Miscellaneous**

### ***Family Entertainment Working Group***

A new law establishes a working group to study and make recommendations by January 1, 2026, on family entertainment in the state, including (1) ways to increase family entertainment options and support family entertainment venues; (2) the benefits and ramifications of disclosing the start time of movies before viewers enter the room where the movie will be shown; and (3) other ways to provide transparency to consumers to enhance their experience and promote economic growth ([PA 25-174](#), § 213, effective upon passage).

### ***Gaming Regulation***

Two new laws make various changes to the state's gaming laws. Among other things, these changes include (1) generally requiring the Connecticut Lottery Corporation (CLC) to obtain consent before disclosing a winner's name, address, or photo; (2) setting conditions for using an unlicensed delivery service to deliver lottery tickets; (3) allowing CLC employees to receive endorsements on their licenses, rather than requiring them to obtain separate licenses, to work on different forms of gaming for the CLC; (4) specifying cause for taking action against certain licensees and authorizing the summary suspension of a lottery sales agent's license under certain circumstances; and (5) modifying the rules on voiding sports wagers ([PA 25-112](#) and [PA 25-113](#), various effective dates).

### ***Precious Metals Working Group***

A new law creates a Connecticut Precious Metals Working Group to monitor (1) economic conditions; (2) inflation expectations; (3) precious metals prices and activities, including the market activities of leading commodities exchanges and bullion market associations; and (4) other states' proposed and enacted precious metals legislation. Beginning in 2026, the working group must annually submit a report to the Banking, Commerce, and Finance, Revenue and Bonding committees summarizing its findings from its monitoring activities and include any



recommendations to improve the precious metals market in Connecticut ([PA 25-168](#), § 443, effective upon passage).

### ***Transportation Network Companies***

This session, the legislature made various changes in laws on TNCs. Specifically, the act (1) requires registered TNCs, starting by January 1, 2026, to annually report specified information to the Department of Transportation based on aggregate data from the prior year and (2) creates certain requirements related to TNC drivers, such as prohibiting TNCs from taking retaliatory action against a driver only because he or she filed a complaint with the company and requiring them to give prospective drivers certain information (e.g., that he or she may enroll in the state's Paid Family and Medical Leave Insurance Program).

The act also replaces prior law's \$5,000 initial state registration and annual renewal fees for TNCs with fees that vary based on the number of TNC drivers with an active account on a company's digital network at the time of registration or renewal ([PA 25-65](#), §§ 25-27, effective October 1, 2025).

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