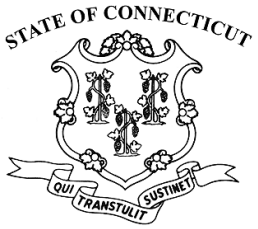

Substitute Senate Bill No. 1

Public Act No. 26-68

AN ACT MAKING ADJUSTMENTS TO THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027, MAKING DEFICIENCY APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2026, AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND CONCERNING PROVISIONS RELATING TO REVENUE, SCHOOL CONSTRUCTION AND OTHER ITEMS TO IMPLEMENT THE STATE BUDGET.

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

Section 1. (*Effective July 1, 2026*) The amounts appropriated for the fiscal year ending June 30, 2027, in section 1 of public act 25-168, regarding the GENERAL FUND are amended to read as follows:

	2026-2027	
LEGISLATIVE		
LEGISLATIVE MANAGEMENT		
Personal Services	**[**64,296,079**]**	<u>64,246,079</u>
Other Expenses	24,954,131	
Equipment	3,295,000	
Flag Restoration	65,000	
Minor Capital Improvements	4,000,000	
Interim Salary/Caucus Offices	591,748	
Connecticut Academy of Science and Engineering	**[**226,000**]**	<u>276,000</u>

Old State House	900,000	
Translators	150,000	
Wall of Fame	10,000	
Interstate Conference Fund	529,095	
New England Board of Higher Education	226,488	
AGENCY TOTAL	99,243,541	
AUDITORS OF PUBLIC ACCOUNTS		
Personal Services	16,701,328	
Other Expenses	[451,727]	951,727
AGENCY TOTAL	[17,153,055]	17,653,055
COMMISSION ON WOMEN, CHILDREN, SENIORS, EQUITY AND OPPORTUNITY		
Personal Services	1,227,933	
Other Expenses	60,000	
AGENCY TOTAL	1,287,933	
GENERAL GOVERNMENT		
GOVERNOR'S OFFICE		
Personal Services	[3,983,704]	3,994,533
Other Expenses	635,401	
National Governors' Association	121,522	
AGENCY TOTAL	[4,740,627]	4,751,456
SECRETARY OF THE STATE		
Personal Services	[5,402,637]	4,511,688
Other Expenses	[3,517,936]	6,227,936
Commercial Recording Division	5,419,159	
Early Voting	1,320,000	
Bridgeport Election Monitor	150,000	
AGENCY TOTAL	[15,809,732]	17,628,783
LIEUTENANT GOVERNOR'S OFFICE		
Personal Services	[865,598]	874,649

Other Expenses	46,323	
AGENCY TOTAL	[911,921]	920,972
ELECTIONS ENFORCEMENT COMMISSION		
Elections Enforcement Commission	[4,255,296]	4,280,767
OFFICE OF STATE ETHICS		
Office of State Ethics	[2,059,779]	2,238,902
FREEDOM OF INFORMATION COMMISSION		
Freedom of Information Commission	[2,283,813]	2,307,423
STATE TREASURER		
Personal Services	[3,543,056]	3,552,107
Other Expenses	359,854	
AGENCY TOTAL	[3,902,910]	3,911,961
STATE COMPTROLLER		
Personal Services	[30,478,063]	30,487,114
Other Expenses	[18,417,000]	18,517,000
Various Grants		250,000
AGENCY TOTAL	[48,895,063]	49,254,114
DEPARTMENT OF REVENUE SERVICES		
Personal Services	[54,700,984]	54,871,282
Other Expenses	4,617,358	
AGENCY TOTAL	[59,318,342]	59,488,640
OFFICE OF GOVERNMENTAL ACCOUNTABILITY		
[Other Expenses]	[25,098]	
Child Fatality Review Panel	139,183	
Contracting Standards Board	859,334	
Judicial Review Council	191,511	

Judicial Selection Commission	117,678	
Office of the Child Advocate	1,032,892	
Office of the Victim Advocate	519,674	
Board of Firearms Permit Examiners	148,193	
Office of the Correction Ombuds	[763,692]	1,219,274
[Office of the Educational Ombudsperson]	[180,000]	
AGENCY TOTAL	[3,977,255]	4,227,739
OFFICE OF POLICY AND MANAGEMENT		
Personal Services	[21,379,691]	22,777,279
Other Expenses	[3,305,422]	2,703,635
Automated Budget System and Data Base Link	20,438	
Justice Assistance Grants	865,967	
Tax Relief For Elderly Renters	25,020,226	
Private Providers	156,000,000	
Reimbursement Property Tax - Disability Exemption	364,713	
Distressed Municipalities	1,500,000	
Property Tax Relief Elderly Freeze Program	[4,000]	2,000
Property Tax Relief for Veterans	[2,708,107]	1,708,107
Municipal Restructuring	300,000	
Various Municipal Grants		22,178,100
America250		250,000
AGENCY TOTAL	[211,468,564]	233,690,465
DEPARTMENT OF VETERANS' AFFAIRS		
Personal Services	[23,687,289]	23,802,446
Other Expenses	[4,106,113]	5,521,457
SSMF Administration	560,345	
Veterans' Opportunity Pilot	245,047	
Veterans' Rally Point	512,764	
Burial Expenses	6,666	
Headstones	[307,834]	207,834
Various Grants		341,000
AGENCY TOTAL	[29,426,058]	31,197,559

DEPARTMENT OF ADMINISTRATIVE SERVICES		
Personal Services	100,780,339	
Other Expenses	[31,251,286]	32,331,302
Loss Control Risk Management	88,003	
Employees' Review Board	32,611	
Refunds Of Collections	20,381	
Rents and Moving	4,136,035	
W. C. Administrator	5,562,120	
Claims Commissioner Operations		460,499
State Insurance and Risk Mgmt Operations	21,830,588	
IT Services	[67,732,158]	69,273,016
Firefighters Fund	400,000	
State Properties Review Board	[337,113]	527,113
State Marshal Commission	[365,556]	417,680
[Office of the Claims Commissioner]	[460,499]	
AGENCY TOTAL	[232,996,689]	235,859,687
ATTORNEY GENERAL		
Personal Services	[40,234,183]	41,093,234
Other Expenses	1,054,810	
AGENCY TOTAL	[41,288,993]	42,148,044
DIVISION OF CRIMINAL JUSTICE		
Personal Services	58,219,053	
Other Expenses	[5,102,201]	5,002,201
Witness Protection	[200,000]	300,000
Training And Education	147,398	
Expert Witnesses	135,413	
Medicaid Fraud Control	[1,509,942]	1,602,442
Criminal Justice Commission	409	
Cold Case Unit	292,041	
Shooting Taskforce	1,427,286	
AGENCY TOTAL	[67,033,743]	67,126,243

REGULATION AND PROTECTION		
DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION		
Personal Services	[180,361,731]	180,561,731
Other Expenses	[34,715,572]	43,032,873
Fleet Purchase	[7,782,053]	8,317,320
Criminal Justice Information System	4,763,320	
CRISIS	[1,800,000]	2,050,000
Law Enforcement Training Partnerships	2,050,000	
Fire Training School - Willimantic	[242,176]	262,176
Maintenance of County Base Fire Radio Network	19,528	
Maintenance of State-Wide Fire Radio Network	12,997	
Police Association of Connecticut	172,353	
Connecticut State Firefighter's Association	[176,625]	306,625
Fire Training School - Torrington	[172,267]	192,267
Fire Training School - New Haven	[108,364]	128,364
Fire Training School - Derby	[50,639]	70,639
Fire Training School - Wolcott	[171,162]	191,162
Fire Training School - Fairfield	[127,501]	147,501
Fire Training School - Hartford	[176,836]	196,836
Fire Training School - Middletown	[70,970]	90,970
Fire Training School - Stamford	[75,541]	95,541
Various Grants		2,858,112
Volunteer Firefighter Training	140,000	
AGENCY TOTAL	[233,189,635]	245,660,315
MILITARY DEPARTMENT		
Personal Services	[3,305,492]	3,530,455
Other Expenses	2,144,823	
Honor Guards	561,600	
Veteran's Service Bonuses	379,500	
JEEP Program	338,600	
[Governor's Guards]	[330,000]	

Governor's Foot Guards		10,000
Governor's First Horse Guard		160,000
Governor's Second Horse Guard		160,000
AGENCY TOTAL	[7,060,015]	7,284,978
DEPARTMENT OF CONSUMER PROTECTION		
Personal Services	[16,807,275]	17,656,994
Other Expenses	[757,940]	1,269,330
Funeral Services Compensation		1,000,000
AGENCY TOTAL	[17,565,215]	19,926,324
LABOR DEPARTMENT		
Personal Services	[17,911,298]	17,892,149
Other Expenses	[4,693,827]	2,014,638
CETC Workforce	606,460	
Workforce Investment Act	[29,938,610]	26,993,197
Job Funnels Projects	712,857	
Connecticut's Youth Employment Program	[10,268,488]	10,493,488
Jobs First Employment Services	13,173,620	
Apprenticeship Program	[604,369]	763,254
Connecticut Career Resource Network	152,112	
STRIVE	88,779	
Opportunities for Long Term Unemployed	5,121,184	
Second Chance Initiative	327,038	
Cradle To Career	[100,000]	150,000
New Haven Jobs Funnel	750,000	
Manufacturing Pipeline Initiative	[4,627,698]	6,627,698
Domestic Workers Education and Training Grant Program	400,000	
Various Grants		5,470,000
AGENCY TOTAL	[89,476,340]	91,736,474
COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES		
Personal Services	[8,768,241]	9,043,421

Other Expenses	[398,527]	428,719
Martin Luther King, Jr. Commission	5,977	
AGENCY TOTAL	[9,172,745]	9,478,117
CONSERVATION AND DEVELOPMENT		
DEPARTMENT OF AGRICULTURE		
Personal Services	[4,713,414]	4,818,414
Other Expenses	[2,373,332]	693,332
Senior Food Vouchers	518,418	
Dairy Farmer - Agriculture Sustainability	1,000,000	
WIC Coupon Program for Fresh Produce	247,938	
Various Grants		1,767,000
AGENCY TOTAL	[8,853,102]	9,045,102
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION		
Personal Services	[23,865,954]	24,348,753
Other Expenses	[1,602,261]	1,007,261
Mosquito and Tick Control	284,240	
State Superfund Site Maintenance	399,577	
Laboratory Fees	122,565	
Dam Maintenance	151,902	
Emergency Spill Response	7,657,024	
Solid Waste Management	4,078,312	
Underground Storage Tank	1,085,420	
Clean Air	4,449,309	
Environmental Conservation	4,893,567	
Environmental Quality	7,056,504	
Fish Hatcheries	3,004,540	
U.S. Nuclear Regulatory Commission	278,315	
Interstate Environmental Commission	3,333	
New England Interstate Water Pollution Commission	26,554	
Northeast Interstate Forest Fire Compact	3,082	

Connecticut River Valley Flood Control Commission	30,295	
Thames River Valley Flood Control Commission	45,151	
Various Grants		1,045,000
AGENCY TOTAL	[59,037,905]	59,970,704
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT		
Personal Services	[9,842,148]	10,185,290
Other Expenses	611,278	
Spanish-American Merchants Association	442,194	
Office of Military Affairs	181,521	
CCAT-CT Manufacturing Supply Chain	2,585,000	
Capital Region Development Authority	10,845,022	
Manufacturing Growth Initiative	178,133	
Hartford 2000	20,000	
Office of Workforce Strategy	[1,303,046]	2,003,046
Black Business Alliance	442,194	
Hartford Economic Development Corporation	442,194	
CONNSTEP	500,000	
Various Grants	[20,176,930]	30,338,490
[MRDA] Connecticut Municipal Development Authority (CMDA)	[1,300,000]	1,420,000
AdvanceCT	2,000,000	
Futures Inc	85,000	
Forge City Works	[300,000]	600,000
CT Community Empowerment Foundation	100,000	
City Seed	300,000	
AGENCY TOTAL	[51,654,660]	63,279,362
DEPARTMENT OF HOUSING		
Personal Services	[2,649,343]	3,401,351
Other Expenses	[157,210]	137,210
Elderly Rental Registry and Counselors	1,011,170	
Homeless Youth	3,235,121	

Outreach Services for Norwich	[250,000]	500,000
Rental Assistance Program		94,082,152
Subsidized Assisted Living Demonstration	3,402,000	
Congregate Facilities Operation Costs	12,864,700	
Elderly Congregate Rent Subsidy	2,172,786	
Housing/Homeless Services	[114,398,923]	29,456,771
Various Grants		2,883,000
Project Longevity - Housing	2,491,355	
Housing/Homeless Services - Municipality	692,651	
AGENCY TOTAL	[143,325,259]	156,330,267
AGRICULTURAL EXPERIMENT STATION		
Personal Services	7,197,533	
Other Expenses	1,081,499	
Mosquito and Tick Disease Prevention	857,623	
Wildlife Disease Prevention	133,357	
AGENCY TOTAL	9,270,012	
HEALTH		
DEPARTMENT OF PUBLIC HEALTH		
Personal Services	[40,640,559]	43,329,915
Other Expenses	[8,939,228]	9,235,270
Gun Violence Prevention	[4,404,299]	4,654,299
Lung Cancer Detection and Referrals	479,137	
Pancreatic Cancer Screening	127,161	
[Public Health Response]	[720,931]	
Community Health Services	[2,398,494]	1,898,494
Rape Crisis	616,233	
Various Grants		2,034,000
Local and District Departments of Health	[8,213,916]	8,341,658
School Based Health Clinics	[14,400,721]	15,102,721
AGENCY TOTAL	[80,940,679]	85,818,888
OFFICE OF HEALTH STRATEGY		
[Personal Services]	[3,370,606]	

[Other Expenses]	[1,170,255]	
[AGENCY TOTAL]	[4,540,861]	
OFFICE OF THE CHIEF MEDICAL EXAMINER		
Personal Services	9,036,394	
Other Expenses	2,479,935	
Equipment	24,846	
Medicolegal Investigations	22,150	
AGENCY TOTAL	11,563,325	
DEPARTMENT OF DEVELOPMENTAL SERVICES		
Personal Services	224,654,418	
Other Expenses	21,019,245	
Housing Supports and Services	1,400,000	
Family Support Grants	3,700,840	
Clinical Services	[2,337,724]	2,437,724
Behavioral Services Program	12,857,593	
Supplemental Payments for Medical Services	2,558,132	
ID Partnership Initiatives	2,528,138	
Emergency Placements	5,980,932	
Rent Subsidy Program	5,262,312	
Employment Opportunities and Day Services	407,451,072	
Community Residential Services	938,815,100	
AGENCY TOTAL	[1,628,565,506]	1,628,665,506
DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES		
Personal Services	257,078,417	
Other Expenses	[37,617,895]	37,636,645
Housing Supports and Services	[29,716,445]	30,716,445
Managed Service System	[77,687,785]	83,962,785
Legal Services	764,660	
Connecticut Mental Health Center	9,229,406	

Professional Services	23,400,697	
Behavioral Health Recovery Services	[26,407,864]	26,694,864
Nursing Home Screening	652,784	
Young Adult Services	95,902,326	
TBI Community Services	9,443,717	
Behavioral Health Medications	[8,170,754]	9,470,754
Medicaid Adult Rehabilitation Option	4,419,683	
Discharge and Diversion Services	[43,157,991]	46,382,991
Home and Community Based Services	[26,723,158]	27,413,158
Nursing Home Contract	1,152,856	
Katie Blair House	17,016	
Forensic Services	[11,544,887]	13,444,887
Grants for Substance Abuse Services	[37,103,118]	42,853,118
Grants for Mental Health Services	77,117,159	
Employment Opportunities	9,873,631	
AGENCY TOTAL	[787,182,249]	807,627,999
PSYCHIATRIC SECURITY REVIEW BOARD		
Personal Services	367,270	
Other Expenses	24,943	
AGENCY TOTAL	392,213	
HUMAN SERVICES		
DEPARTMENT OF SOCIAL SERVICES		
Personal Services	[159,660,660]	160,022,138
Other Expenses	[168,068,200]	168,607,200
Genetic Tests in Paternity Actions	81,906	
HUSKY B Program	[32,760,000]	33,190,000
Substance Use Disorder Waiver Reserve	[18,370,000]	7,265,000
Medicaid	[3,950,330,000]	3,942,934,000
Old Age Assistance	[56,900,000]	62,600,000
Aid To The Blind	[657,800]	960,000
Aid To The Disabled	[56,020,000]	59,300,000
Temporary Family Assistance - TANF	[75,400,000]	54,000,000

Emergency Assistance	1	
Food Stamp Training Expenses	9,341	
DMHAS-Disproportionate Share	108,935,000	
Connecticut Home Care Program	[51,180,000]	56,180,000
Human Resource Development-Hispanic Programs	1,070,348	
Safety Net Services	1,500,145	
Refunds Of Collections	89,965	
Services for Persons With Disabilities	309,661	
Nutrition Assistance	[6,020,994]	3,020,994
State Administered General Assistance	[19,000,000]	15,056,000
Connecticut Children's Medical Center	13,138,737	
Community Services	[10,992,162]	17,284,299
Human Services Infrastructure Community Action Program	[4,274,240]	7,174,240
Teen Pregnancy Prevention	1,394,639	
Domestic Violence Shelters	8,650,381	
[Hospital Supplemental Payments]	[778,300,000]	
[Regional Hospice of Western CT]	[1,000,000]	
Teen Pregnancy Prevention - Municipality	98,281	
AGENCY TOTAL	[5,524,212,461]	4,722,872,276
DEPARTMENT OF AGING AND DISABILITY SERVICES		
Personal Services	[8,626,272]	9,242,629
Other Expenses	[2,182,575]	1,222,575
Educational Aid for Children - Blind or Visually Impaired	5,036,360	
Employment Opportunities – Blind & Disabled	416,974	
Vocational Rehabilitation - Disabled	[7,895,382]	7,947,786
Supplementary Relief and Services	[97,251]	44,847
Special Training for the Deaf Blind	264,045	
Connecticut Radio Information Service	70,194	
Independent Living Centers	1,025,528	
Programs for Senior Citizens	[5,036,165]	6,296,165
Various Grants		951,825

Elderly Nutrition	[5,141,074]	5,294,406
Communication Advocacy Network	200,000	
AGENCY TOTAL	[35,991,820]	38,013,334
EDUCATION		
DEPARTMENT OF EDUCATION		
Personal Services	18,557,641	
Other Expenses	[28,295,963]	3,920,963
Development of Mastery Exams Grades 4, 6, and 8	10,571,192	
Primary Mental Health	[335,288]	314,288
Leadership, Education, Athletics in Partnership (LEAP)	312,211	
Adult Education Action	[169,534]	159,534
Connecticut Writing Project	95,250	
CT Alliance of Boys and Girls Clubs	1,000,000	
Sheff Settlement	18,721,292	
Parent Trust Fund Program	350,000	
Commissioner's Network	[9,869,398]	9,817,398
Local Charter Schools	957,000	
Bridges to Success	27,000	
Talent Development	[2,068,449]	4,068,449
School-Based Diversion Initiative	900,000	
EdSight	[1,140,690]	1,640,690
Sheff Transportation	80,326,212	
Curriculum and Standards	[4,215,782]	6,215,782
Non-Sheff Transportation	14,275,787	
Aspiring Educators Scholarship Program	[6,000,000]	4,000,000
Dual Credit	6,000,000	
Local Food for Local Schools Incentive Program	3,430,000	
Office of Dyslexia	[680,000]	1,180,000
Special Education Initiatives		3,300,000
American School For The Deaf	[12,357,514]	12,757,514
Regional Education Services	[262,500]	254,500

Family Resource Centers	7,000,000	
Charter Schools	[144,122,548]	147,337,541
Child Nutrition State Match	[2,354,000]	2,877,755
Health Foods Initiative	4,151,463	
Various Grants		15,746,000
Rose City Learning	[159,000]	240,185
SERC		1,000,000
Teacher Residency RESC Alliance		750,000
Vocational Agriculture	[26,295,732]	26,132,180
Adult Education	[25,953,382]	25,356,130
Health and Welfare Services Pupils Private Schools	[6,447,702]	3,438,415
Education Equalization Grants	2,456,935,081	
Bilingual Education	3,832,260	
Priority School Districts	30,818,778	
Interdistrict Cooperation	1,537,500	
School Breakfast Program	[2,158,900]	14,158,900
Excess Cost - Student Based	221,119,782	
Open Choice Program	31,472,503	
Magnet Schools	[344,345,603]	339,255,603
After School Program	5,750,695	
Extended School Hours	2,919,883	
School Accountability	3,412,207	
High Dosage Tutoring Grants	[5,000,000]	2,000,000
Special Education and Expansion Development	30,000,000	
High Quality Special Ed Incentives	[9,900,000]	8,900,000
Learner Engagement and Attendance Program	7,000,000	
School Based Behavioral Health Grants		5,000,000
AGENCY TOTAL	[3,593,605,722]	3,601,295,564
CONNECTICUT TECHNICAL EDUCATION AND CAREER SYSTEM		
Personal Services	[175,558,658]	177,213,906
Other Expenses	[31,957,461]	37,957,461
AGENCY TOTAL	[207,516,119]	215,171,367

OFFICE OF EARLY CHILDHOOD		
Personal Services	9,926,912	
Other Expenses	[8,294,731]	7,919,731
Birth to Three	[36,093,626]	38,493,626
Evenstart	545,456	
2Gen - TANF	[575,685]	672,390
[Nurturing Families Network]	[14,469,995]	
OEC Parent Cabinet	152,264	
Capitol Child Development Center	263,000	
CT Home Visiting System		14,469,995
Head Start Services	5,833,238	
Care4Kids TANF/CCDF	151,227,096	
Child Care Quality Enhancements	5,954,530	
Early Head Start-Child Care Partnership	1,500,000	
Early Care and Education	201,845,725	
Various Grants		850,000
Smart Start	6,325,000	
AGENCY TOTAL	[443,007,258]	445,978,963
STATE LIBRARY		
Personal Services	5,419,751	
Other Expenses	[1,460,515]	772,336
State-Wide Digital Library	1,709,210	
Interlibrary Loan Delivery Service	380,136	
Legal/Legislative Library Materials	674,540	
Library for the Blind	100,000	
Support Cooperating Library Service Units	124,402	
Various Grants		960,000
Grants To Public Libraries		225,000
Connecticard Payments	703,638	
AGENCY TOTAL	[10,572,192]	11,069,013
OFFICE OF HIGHER EDUCATION		
Personal Services	1,855,031	
Other Expenses	[3,142,258]	179,166

Minority Advancement Program	1,674,835	
National Service Act	320,151	
Minority Teacher Incentive Program	570,134	
CT Loan Reimbursement	[6,000,000]	5,000,000
Alternate Route to Certification		300,000
Roberta B. Willis Scholarship Fund	41,288,637	
Various Grants		4,313,092
Health Care Adjunct Grant Program	260,000	
AGENCY TOTAL	[55,111,046]	55,761,046
UNIVERSITY OF CONNECTICUT		
Operating Expenses	[250,543,874]	250,103,874
Veterinary Diagnostic Laboratory	250,000	
Institute for Municipal and Regional Policy	550,000	
UConn Veterans Program	250,000	
Health Services - Regional Campuses	1,400,000	
Puerto Rican Studies Initiative	500,000	
Student Success Software		800,000
Learn and Earn		175,000
Kirklyn M. Kerr Grant Program		600,000
Various Grants		2,320,000
AGENCY TOTAL	[253,493,874]	256,948,874
UNIVERSITY OF CONNECTICUT HEALTH CENTER		
Operating Expenses	[136,673,524]	135,508,524
AHEC	429,735	
Neuromodulation Treatment	2,000,000	
Various Grants		1,940,000
Endometriosis Biorepository		1,015,000
Migraine Study		150,000
AGENCY TOTAL	[139,103,259]	141,043,259
TEACHERS' RETIREMENT BOARD		
Personal Services	2,291,080	
Other Expenses	482,003	

Retirement Contributions - Normal Cost	[299,800,000]	328,073,000
Retirement Contributions - UAL	[1,405,300,000]	1,403,546,000
Retirees Health Service Cost	44,356,000	
Municipal Retiree Health Insurance Costs	8,840,000	
AGENCY TOTAL	[1,761,069,083]	1,787,588,083
CONNECTICUT STATE COLLEGES AND UNIVERSITIES		
Charter Oak State College	[4,041,029]	3,541,029
Community Tech College System	[241,998,796]	242,918,796
Connecticut State University	[201,697,946]	201,556,926
Board of Regents	519,512	
Developmental Services	10,190,984	
Outcomes-Based Funding Incentive	1,374,425	
O'Neill Chair	315,000	
Debt Free Community College	[34,150,000]	36,450,000
[Expanded PACT] Finish Line Scholars	7,700,000	
Disabilities Study	250,000	
Learn and Earn		175,000
Various Grants		2,600,000
AGENCY TOTAL	[502,237,692]	507,591,672
CORRECTIONS		
DEPARTMENT OF CORRECTION		
Personal Services	[470,144,513]	474,490,513
Other Expenses	[89,528,616]	99,828,616
Inmate Medical Services	[150,129,165]	154,554,165
Board of Pardons and Paroles	6,822,490	
STRIDE	80,181	
HITEC	[644,174]	764,174
Aid to Paroled and Discharged Inmates	3,000	
Legal Services To Prisoners	797,000	
Volunteer Services	87,725	
Community Support Services	47,566,468	
Reentry Centers	1,500,000	

AGENCY TOTAL	[767,303,332]	786,494,332
DEPARTMENT OF CHILDREN AND FAMILIES		
Personal Services	[303,233,500]	304,598,000
Other Expenses	[31,137,956]	34,075,956
Family Support Services	1,064,233	
Differential Response System	9,367,256	
Regional Behavioral Health Consultation	1,838,167	
Community Care Coordination	8,957,944	
Health Assessment and Consultation	1,596,776	
Grants for Psychiatric Clinics for Children	[17,880,105]	18,748,105
Day Treatment Centers for Children	8,219,601	
Child Abuse and Neglect Intervention	9,988,016	
Community Based Prevention Programs	9,657,655	
Family Violence Outreach and Counseling	4,009,230	
Supportive Housing	[21,180,221]	21,680,221
No Nexus Special Education	2,452,640	
Family Preservation Services	7,242,683	
Substance Abuse Treatment	[10,073,982]	11,708,982
Child Welfare Support Services	2,854,163	
Board and Care for Children - Adoption	106,884,511	
Board and Care for Children - Foster	[123,521,818]	125,021,818
Board and Care for Children - Short-term and Residential	[65,628,396]	69,628,396
Individualized Family Supports	[3,871,304]	4,021,304
Community Kidcare	61,011,129	
Covenant to Care	185,911	
Various Grants		575,000
Juvenile Review Boards	6,043,187	
Youth Transition and Success Programs	[1,016,220]	1,266,220
[Love146]	[500,000]	
Youth Service Bureaus	[2,733,240]	2,747,240
Youth Service Bureau Enhancement	1,115,161	
AGENCY TOTAL	[823,265,005]	836,559,505

JUDICIAL		
JUDICIAL DEPARTMENT		
Personal Services	[385,678,706]	404,420,575
Other Expenses	[74,997,164]	75,735,354
Forensic Sex Evidence Exams	1,348,010	
Alternative Incarceration Program	[70,000,000]	73,990,000
Justice Education Center, Inc.	516,287	
Juvenile Alternative Incarceration	[35,768,876]	34,518,876
Probate Court	[3,634,932]	455,812
Workers' Compensation Claims	6,042,106	
Victim Security Account	8,792	
Children of Incarcerated Parents	[542,683]	792,683
Legal Aid	4,397,144	
Youth Violence Initiative	5,592,428	
Youth Services Prevention	[8,293,132]	8,033,132
Children's Law Center	[150,000]	200,000
Project Longevity	[4,221,255]	3,471,255
Juvenile Planning	945,000	
Juvenile Justice Outreach Services	27,945,080	
Board and Care for Children - Short-term and Residential	12,953,332	
LGBTQ Justice and Opportunity Network	256,382	
Counsel for Domestic Violence	1,250,000	
Outreach Services for Norwich	675,000	
Various Grants		3,920,024
AGENCY TOTAL	[645,216,309]	667,467,272
PUBLIC DEFENDER SERVICES COMMISSION		
Personal Services	58,383,519	
Other Expenses	1,589,903	
[Assigned Counsel - Criminal] Assigned Counsel	[41,354,960]	41,008,344
Expert Witnesses	[2,775,604]	3,122,220
Training And Education	119,748	

AGENCY TOTAL	104,223,734	
NON-FUNCTIONAL		
DEBT SERVICE - STATE TREASURER		
Debt Service	[2,041,951,996]	2,039,989,119
UConn 2000 - Debt Service	[213,698,862]	233,226,362
CHEFA Day Care Security	4,000,000	
Pension Obligation Bonds - TRB	284,364,458	
Municipal Restructuring	[47,778,925]	47,058,347
AGENCY TOTAL	[2,591,794,241]	2,608,638,286
STATE COMPTROLLER - MISCELLANEOUS		
Nonfunctional - Change to Accruals	65,278,956	
STATE COMPTROLLER - FRINGE BENEFITS		
Unemployment Compensation	[4,049,400]	4,047,500
Higher Education Alternative Retirement System	[101,569,100]	50,620,000
Pensions and Retirements - Other Statutory	2,433,850	
Judges and Compensation Commissioners Retirement	[31,587,446]	31,945,712
Insurance - Group Life	9,736,350	
Employers Social Security Tax	[227,326,623]	228,500,654
State Employees Health Service Cost	[708,024,030]	800,787,930
Retired State Employees Health Service Cost	[957,183,800]	996,028,080
Tuition Reimbursement - Training and Travel	150,000	
Other Post Employment Benefits	[65,073,558]	65,541,816
SERS Defined Contribution Match	[27,991,712]	28,163,281
State Employees Retirement Contributions - Normal Cost	[201,080,536]	201,019,273
State Employees Retirement Contributions - UAL	[1,324,870,699]	1,330,298,497
AGENCY TOTAL	[3,661,077,104]	3,749,272,943

RESERVE FOR SALARY ADJUSTMENTS		
Reserve For Salary Adjustments	186,551,369	
WORKERS' COMPENSATION CLAIMS - ADMINISTRATIVE SERVICES		
Workers' Compensation Claims	6,509,800	
Workers' Compensation Claims – University of Connecticut	2,271,228	
Claims – University of Connecticut Health Center	3,460,985	
Workers' Compensation Claims – Board of Regents Higher Ed	3,289,276	
Claims – Department of Children and Families	10,036,952	
Workers' Compensation Claims Mental Health & Addiction Serv	18,061,027	
Claim Department of Emergency Services and Public Protection	3,723,135	
Claims – Department of Developmental Services	12,073,417	
Workers' Compensation Claims – Department of Correction	37,722,823	
AGENCY TOTAL	97,148,643	
TOTAL - GENERAL FUND	**[**25,455,622,254**]**	24,968,235,361
LESS:		
Unallocated Lapse	-73,710,570	
Unallocated Lapse - Judicial	-5,000,000	
Targeted Savings	-15,000,000	
NET - GENERAL FUND	**[**25,361,911,684**]**	24,874,524,791

Sec. 2. (*Effective July 1, 2026*) The amounts appropriated for the fiscal year ending June 30, 2027, in section 2 of public act 25-168, regarding the SPECIAL TRANSPORTATION FUND are amended to read as follows:

	2026-2027	
GENERAL GOVERNMENT		
OFFICE OF POLICY AND MANAGEMENT		
Personal Services	770,498	
DEPARTMENT OF ADMINISTRATIVE SERVICES		
Personal Services	2,937,990	
State Insurance and Risk Mgmt Operations	**[**17,467,920**]**	20,467,920
IT Services	1,619,686	
AGENCY TOTAL	**[**22,025,596**]**	25,025,596
REGULATION AND PROTECTION		
DEPARTMENT OF MOTOR VEHICLES		
Personal Services	53,959,126	
Other Expenses	**[**19,778,262**]**	20,367,072
Equipment	668,756	
DMV Modernization	3,000,000	
Commercial Vehicle Information Systems and Networks Project	324,676	
AGENCY TOTAL	**[**77,730,820**]**	78,319,630
CONSERVATION AND DEVELOPMENT		
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION		
Personal Services	3,781,576	
Other Expenses	665,006	
AGENCY TOTAL	4,446,582	
TRANSPORTATION		
DEPARTMENT OF TRANSPORTATION		
Personal Services	236,076,271	

Other Expenses	[63,434,586]	63,534,586
Equipment	[1,376,329]	2,176,329
Minor Capital Projects	449,639	
Highway Planning And Research	[3,060,131]	3,905,131
Rail Operations	[318,803,218]	341,466,521
Bus Operations	[301,407,448]	325,065,967
ADA Para-transit Program	[51,982,687]	53,535,914
Non-ADA Dial-A-Ride Program	576,361	
Pay-As-You-Go Transportation Projects	18,054,208	
Transportation Asset Management	3,004,254	
Transportation to Work	[2,370,629]	2,500,629
AGENCY TOTAL	[1,000,595,761]	1,050,345,810
NON-FUNCTIONAL		
DEBT SERVICE - STATE TREASURER		
Debt Service	[1,025,610,574]	962,448,294
STATE COMPTROLLER - MISCELLANEOUS		
Nonfunctional - Change to Accruals	5,337,671	
STATE COMPTROLLER - FRINGE BENEFITS		
Unemployment Compensation	360,000	
Insurance - Group Life	401,600	
Employers Social Security Tax	21,697,231	
State Employees Health Service Cost	[65,927,200]	80,108,200
Other Post Employment Benefits	4,321,112	
SERS Defined Contribution Match	1,835,222	
State Employees Retirement Contributions - Normal Cost	[23,334,444]	23,327,335
State Employees Retirement Contributions - UAL	[136,192,810]	136,648,679
AGENCY TOTAL	[254,069,619]	268,699,379
RESERVE FOR SALARY ADJUSTMENTS		

Reserve For Salary Adjustments	19,864,541	
WORKERS' COMPENSATION CLAIMS - ADMINISTRATIVE SERVICES		
Workers' Compensation Claims	6,723,297	
TOTAL - SPECIAL TRANSPORTATION FUND	[2,417,174,959]	2,421,981,298
LESS:		
Unallocated Lapse	-12,000,000	
NET - SPECIAL TRANSPORTATION FUND	[2,405,174,959]	2,409,981,298

Sec. 3. (*Effective July 1, 2026*) The amounts appropriated for the fiscal year ending June 30, 2027, in section 3 of public act 25-168, regarding the MASHANTUCKET PEQUOT AND MOHEGAN FUND are amended to read as follows:

	2026-2027	
GENERAL GOVERNMENT		
OFFICE OF POLICY AND MANAGEMENT		
Grants To Towns	[52,541,796]	54,141,796
CONSERVATION AND DEVELOPMENT		
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION		
Various Grants		150,000
TOTAL - MASHANTUCKET PEQUOT AND MOHEGAN FUND	[52,541,796]	54,291,796

Sec. 4. (*Effective July 1, 2026*) The amounts appropriated for the fiscal year ending June 30, 2027, in section 4 of public act 25-168, regarding the BANKING FUND are amended to read as follows:

	2026-2027	
GENERAL GOVERNMENT		
DEPARTMENT OF ADMINISTRATIVE SERVICES		
Personal Services	[413,105]	462,372
Fringe Benefits	[307,747]	346,176
IT Services	360,334	
AGENCY TOTAL	[1,081,186]	1,168,882
REGULATION AND PROTECTION		
DEPARTMENT OF BANKING		
Personal Services	[15,496,809]	13,667,742
Other Expenses	[1,375,510]	1,345,510
Equipment	44,900	
Fringe Benefits	[12,399,055]	10,438,126
Indirect Overhead	1,404,178	
AGENCY TOTAL	[30,720,452]	26,900,456
LABOR DEPARTMENT		
Opportunity Industrial Centers	[738,708]	813,708
Customized Services	965,689	
AGENCY TOTAL	[1,704,397]	1,779,397
CONSERVATION AND DEVELOPMENT		
DEPARTMENT OF HOUSING		
Fair Housing	670,000	
EDUCATION		

OFFICE OF HIGHER EDUCATION		
Personal Services		279,800
Other Expenses		30,000
Fringe Benefits		222,500
AGENCY TOTAL		532,300
JUDICIAL		
JUDICIAL DEPARTMENT		
Foreclosure Mediation Program	2,158,656	
NON-FUNCTIONAL		
STATE COMPTROLLER - MISCELLANEOUS		
Nonfunctional - Change to Accruals	261,199	
TOTAL - BANKING FUND	[36,595,890]	33,470,890

Sec. 5. (*Effective July 1, 2026*) The amounts appropriated for the fiscal year ending June 30, 2027, in section 5 of public act 25-168, regarding the INSURANCE FUND are amended to read as follows:

	2026-2027	
GENERAL GOVERNMENT		
OFFICE OF POLICY AND MANAGEMENT		
Personal Services	374,039	
Other Expenses	[6,012]	9,253,008
Fringe Benefits	277,130	
AGENCY TOTAL	[657,181]	9,904,177
DEPARTMENT OF ADMINISTRATIVE SERVICES		
Personal Services	[905,796]	1,006,493

Fringe Benefits	[656,984]	735,528
IT Services	514,136	
AGENCY TOTAL	[2,076,916]	2,256,157
REGULATION AND PROTECTION		
INSURANCE DEPARTMENT		
Personal Services	[17,428,950]	17,328,253
Other Expenses	[1,609,489]	1,809,489
Equipment	62,500	
Fringe Benefits	[13,071,712]	13,528,237
Indirect Overhead	[1,594,604]	1,411,492
AGENCY TOTAL	[33,767,255]	34,139,971
OFFICE OF THE HEALTHCARE ADVOCATE		
Personal Services	[1,947,836]	2,053,260
Other Expenses	292,991	
Equipment	5,000	
Fringe Benefits	[1,831,655]	1,718,526
Indirect Overhead	[79,775]	44,424
AGENCY TOTAL	[4,157,257]	4,114,201
CONSERVATION AND DEVELOPMENT		
DEPARTMENT OF HOUSING		
Crumbling Foundations	182,977	
HEALTH		
DEPARTMENT OF PUBLIC HEALTH		
Needle and Syringe Exchange Program	513,515	
Children's Health Initiatives	3,389,838	
AIDS Services	5,366,231	
Breast and Cervical Cancer Detection and Treatment	2,563,100	

Immunization Services	50,845,097	
X-Ray Screening and Tuberculosis Care	[971,849]	871,849
Venereal Disease Control	203,256	
AGENCY TOTAL	[63,852,886]	63,752,886
OFFICE OF HEALTH STRATEGY		
[Personal Services]	[1,487,574]	
[Other Expenses]	[10,398,780]	
[Equipment]	[10,000]	
[Fringe Benefits]	[1,406,339]	
[AGENCY TOTAL]	[13,302,693]	
DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES		
Managed Service System	462,699	
HUMAN SERVICES		
OFFICE OF THE BEHAVIORAL HEALTH ADVOCATE		
[Personal Services]	[387,000]	
[Other Expenses]	[65,500]	
[Fringe Benefits]	[401,000]	
[Indirect Overhead]	[22,500]	
[AGENCY TOTAL]	[876,000]	
OFFICE OF THE BEHAVIORAL HEALTH ADVOCATE		
Personal Services		387,000
Other Expenses		65,500
Fringe Benefits		401,000
Indirect Overhead		22,500
AGENCY TOTAL		876,000
DEPARTMENT OF AGING AND DISABILITY SERVICES		
Fall Prevention	382,660	

NON-FUNCTIONAL		
STATE COMPTROLLER - MISCELLANEOUS		
Nonfunctional - Change to Accruals	391,026	
TOTAL - INSURANCE FUND	**[**120,109,550**]**	<u>116,462,754</u>

Sec. 6. (*Effective July 1, 2026*) The amounts appropriated for the fiscal year ending June 30, 2027, in section 6 of public act 25-168, regarding the CONSUMER COUNSEL AND PUBLIC UTILITY CONTROL FUND are amended to read as follows:

	2026-2027	
GENERAL GOVERNMENT		
OFFICE OF POLICY AND MANAGEMENT		
Personal Services	200,396	
Other Expenses	2,000	
Fringe Benefits	196,074	
AGENCY TOTAL	398,470	
DEPARTMENT OF ADMINISTRATIVE SERVICES		
Personal Services	96,173	
Fringe Benefits	88,135	
AGENCY TOTAL	184,308	
REGULATION AND PROTECTION		
OFFICE OF CONSUMER COUNSEL		
Personal Services	**[**2,288,944**]**	<u>2,468,944</u>
Other Expenses	461,482	
Equipment	2,200	

Fringe Benefits	[1,724,601]	1,844,601
Indirect Overhead	[157,648]	124,209
AGENCY TOTAL	[4,634,875]	4,901,436
PUBLIC UTILITIES REGULATORY AUTHORITY		
Personal Services		10,758,487
Other Expenses		335,000
Fringe Benefits		8,316,311
AGENCY TOTAL		19,409,798
CONSERVATION AND DEVELOPMENT		
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION		
Personal Services	[17,340,038]	6,581,551
Other Expenses	[1,479,367]	1,144,367
Equipment	19,500	
Fringe Benefits	[12,689,262]	5,087,538
Indirect Overhead	[489,330]	354,058
AGENCY TOTAL	[32,017,497]	13,187,014
NON-FUNCTIONAL		
STATE COMPTROLLER - MISCELLANEOUS		
Nonfunctional - Change to Accruals	284,112	
TOTAL - CONSUMER COUNSEL AND PUBLIC UTILITY CONTROL FUND	[37,519,262]	38,365,138

Sec. 7. (*Effective July 1, 2026*) The amounts appropriated for the fiscal year ending June 30, 2027, in section 7 of public act 25-168, regarding the WORKERS' COMPENSATION FUND are amended to read as follows:

	2026-2027	

GENERAL GOVERNMENT		
DEPARTMENT OF ADMINISTRATIVE SERVICES		
Personal Services	[663,688]	781,925
Fringe Benefits	[528,600]	620,825
IT Services	199,938	
AGENCY TOTAL	[1,392,226]	1,602,688
DIVISION OF CRIMINAL JUSTICE		
Personal Services	474,947	
Other Expenses	10,428	
Fringe Benefits	489,396	
AGENCY TOTAL	974,771	
REGULATION AND PROTECTION		
LABOR DEPARTMENT		
Occupational Health Clinics	708,113	
WORKERS' COMPENSATION COMMISSION		
Personal Services	[9,841,921]	9,868,493
Other Expenses	2,476,091	
Equipment	1	
Fringe Benefits	[8,561,814]	8,513,611
Indirect Overhead	[1,586,205]	1,134,936
AGENCY TOTAL	[22,466,032]	21,993,132
HUMAN SERVICES		
DEPARTMENT OF AGING AND DISABILITY SERVICES		
Personal Services	634,783	
Other Expenses	48,440	
Rehabilitative Services	595,631	

Fringe Benefits	467,987	
AGENCY TOTAL	1,746,841	
NON-FUNCTIONAL		
STATE COMPTROLLER - MISCELLANEOUS		
Nonfunctional - Change to Accruals	149,142	
TOTAL - WORKERS' COMPENSATION FUND	**[**27,437,125**]**	27,174,687

Sec. 8. (*Effective July 1, 2026*) The amounts appropriated for the fiscal year ending June 30, 2027, in section 9 of public act 25-168, regarding the TOURISM FUND are amended to read as follows:

	2026-2027	
CONSERVATION AND DEVELOPMENT		
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT		
Statewide Marketing	4,500,000	
Hartford Urban Arts Grant	**[**242,371**]**	440,252
New Britain Arts Council	39,380	
Westville Village Renaissance Alliance	145,000	
Neighborhood Music School	200,540	
Greater Hartford Community Foundation Travelers Championship	150,000	
CT Convention & Sports Bureau	500,000	
Nutmeg Games	40,000	
Discovery Museum	196,895	
National Theatre of the Deaf	78,758	
Connecticut Science Center	**[**546,626**]**	746,626
CT Flagship Producing Theaters Grant	360,000	
Performing Arts Centers	787,571	
Performing Theaters Grant	**[**900,600**]**	1,044,639

Arts Commission	1,497,298	
Art Museum Consortium	887,313	
Litchfield Jazz Festival	29,000	
Arte Inc.	**[**20,735**]**	70,735
CT Virtuosi Orchestra	15,250	
Barnum Museum	50,000	
Various Grants	**[**1,090,000**]**	1,122,000
Creative Youth Productions	300,000	
Music Haven	100,000	
West Hartford Pride	80,000	
Amistad Center for Arts and Culture	100,000	
Leffingwell House Museum	50,000	
CT Main Street Center		350,000
Norwalk International Cultural Exchange – NICE Festival	50,000	
Ball & Socket Arts	**[**300,000**]**	650,000
[CT Main Street Center**]**	**[**350,000**]**	
Greater Hartford Arts Council	74,079	
Stepping Stones Museum for Children	80,863	
Maritime Center Authority	803,705	
Connecticut Humanities Council	**[**1,360,000**]**	2,400,000
Amistad Committee for the Freedom Trail	36,414	
New Haven Festival of Arts and Ideas	414,511	
New Haven Arts Council	77,000	
Beardsley Zoo	400,000	
Mystic Aquarium	472,397	
Northwestern Tourism	400,000	
Eastern Tourism	400,000	
Central Tourism	400,000	
Twain/Stowe Homes	81,196	
Cultural Alliance of Fairfield	52,000	
Stamford Downtown Special Services District	50,000	
AGENCY TOTAL	**[**18,709,502**]**	20,723,422

Sec. 9. (*Effective July 1, 2026*) The amounts appropriated for the fiscal

year ending June 30, 2027, in section 12 of public act 25-168, regarding the MUNICIPAL REVENUE SHARING FUND are amended to read as follows:

	2026-2027	
GENERAL GOVERNMENT		
OFFICE OF POLICY AND MANAGEMENT		
Supplemental Revenue Sharing Grants	85,932,470	
Motor Vehicle Tax Grants	**[**127,496,890**]**	111,581,971
Tiered PILOT	**[**345,980,314**]**	354,284,704
AGENCY TOTAL	**[**559,409,674**]**	551,799,145

Sec. 10. (*Effective from passage*) Notwithstanding the provisions of subsection (j) of section 45a-82 of the general statutes, any balance in the Probate Court Administration Fund on June 30, 2026, shall remain in said fund and shall not be transferred to the General Fund.

Sec. 11. Section 31 of public act 25-168 is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The sum of $500,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the State Library, for Other Expenses, for **[**each of the fiscal years**]** the fiscal year ending June 30, 2026, and $500,000 of the amount appropriated in said section to the State Library, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available for grants in equal amounts to the following library-related programs: (1) United Way of Central and Northeastern Connecticut, for the Dolly Parton Imagination Library; (2) Read to Grow; and (3) Reach Out and Read.

Sec. 12. Section 36 of public act 25-168, as amended by section 179 of public act 25-174, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) The sum of $3,000,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for **[**Other Expenses**]** Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to EastCONN Regional Educational Service Center.

(b) The sum of $900,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for **[**Other Expenses**]** Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to EdAdvance Regional Educational Service Center.

(c) The sum of $20,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, **[**and June 30, 2027**]** and the sum of $20,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Norwalk MLK Scholarship Fund.

(d) The sum of $100,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal year ending June 30, 2026, and the sum of $100,000 of such amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal years for robotics.

(e) The sum of $800,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $800,000 of the amount appropriated in said section to the Department of Education, for

Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Brother Carl Institute.

(f) The sum of $150,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $150,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Artists Collective.

(g) The sum of $100,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $100,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Girls on the Run Greater Connecticut.

(h) The sum of $350,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $350,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Big Brothers and Big Sisters of Connecticut for mentoring in the cities of Hartford and New Haven.

(i) The sum of $200,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of

Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $200,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to the town of Middletown for youth programming.

(j) The sum of $100,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $100,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to the Boys and Girls Club of Lower Naugatuck Valley for operational support.

(k) The sum of $100,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $100,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Hartford Knights.

(l) The sum of $15,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $15,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Hartford Youth Programming.

(m) The sum of $150,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $150,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Active City for youth athletics.

(n) The sum of $100,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $100,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Serving All Vessels Equally (SAVE), Inc. in Norwalk.

(o) The sum of $2,000,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $2,000,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years for electrical and computer engineering recruitment and after school K-2 reading tutoring.

(p) The sum of $25,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $25,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to EdAdvance

School Readiness Council.

(q) The sum of $210,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $210,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Stamford Public Education Foundation.

(r) The sum of $1,000,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $1,000,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Full Circle Youth Empowerment.

(s) The sum of $100,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $100,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Bridgeport Youth Lacrosse.

(t) The sum of $200,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $200,000 of the amount appropriated in said section to the Department of Education, for

Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to New Haven Reads.

(u) The sum of $200,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for **[**each of**]** the fiscal **[**years**]** year ending June 30, 2026, and the sum of $200,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Thompson Alliance District.

(v) The sum of $150,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal year ending June 30, 2026, and the sum of $200,000 of **[**such**]** the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal years to provide a grant to Big Brothers Big Sisters.

(w) The sum of $20,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $70,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Girls on the Run Greater Connecticut.

(x) The sum of $450,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal year ending June 30, 2026, and the sum of $350,000 of **[**such**]** the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal

year ending June 30, 2027, shall be made available in said fiscal years to provide a grant to Effective School Solutions.

(y) The sum of $100,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal year ending June 30, 2026, shall be made available in said fiscal year to provide a grant to Athlife.

(z) The sum of $100,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $100,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to the Connecticut Association of Boards of Education for boards of education training.

[(AA)**]** (aa) The sum of $400,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal year ending June 30, 2026, and the sum of $200,000 of **[**such**]** the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal years to provide a grant to the Connecticut Association of Schools/Connecticut Interscholastic Athletic Conference for Curriculum Development.

[(BB)**]** (bb) The sum of $200,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal year ending June 30, 2026, shall be made available in said fiscal year to provide a grant to Free Agent Now.

[(CC)**]** (cc) The sum of $5,000 of the amount appropriated in section 1

of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, **[**and June 30, 2027,**]** shall be made available in **[**each of**]** said fiscal **[**years**]** year to provide a grant to Martin Luther King Scholarship Committee of Greater Middletown.

[(DD)**]** (dd) The sum of $175,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $175,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal years to provide a grant to VR Sim.

[(EE)**]** (ee) The sum of $10,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal year ending June 30, 2026, shall be made available in said fiscal year to provide a grant to Greenwich YMCA Scholarship Program.

[(FF)**]** (ff) The sum of $30,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $30,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal years to provide a grant to the town of Waterford for school lunch debt.

[(GG)**]** (gg) The sum of $36,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $36,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made

available in **[**each of**]** said fiscal years to provide a grant to the town of Montville for school lunch debt.

[(HH)**]** (hh) The sum of $25,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $25,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Fairfield River-Lab.

[(II)**]** (ii) The sum of $200,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $200,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Bridgeport Caribe Youth Leaders.

[(JJ)**]** (jj) The sum of $175,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $175,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Elevate Bridgeport.

[(KK)**]** (kk) The sum of $75,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $75,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made

available in **[**each of**]** said fiscal years to provide a grant to the **[**Bridgeport Board of Education**]** United Way of Coastal Fairfield County for the Bridgeport Public Schools Debate League.

[(LL)**]** (ll) The sum of $25,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $25,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Yellow Mill Scholarship Fund.

[(MM)**]** (mm) The sum of $1,500,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $1,500,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Waterbury Promise.

[(NN)**]** (nn) The sum of $250,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $250,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Meriden Boys and Girls Club.

[(OO)**]** (oo) The sum of $10,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, **[**and June 30, 2027,**]** shall be made available in

[each of**]** said fiscal **[**years**]** year to provide a grant to Newington Public Schools for diverse library circulation materials.

[(PP)**]** (pp) The sum of $25,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $25,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Boys and Girls Club of Milford for AI training.

[(QQ)**]** (qq) The sum of $500,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $500,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to New London Public Schools Pre-K and early childhood, including transitional kindergarten.

[(RR)**]** (rr) The sum of $90,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $90,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Stamford Public Education Foundation.

[(SS)**]** (ss) The sum of $50,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year

ending June 30, 2026, and the sum of $50,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Sound Waters, **[**Summer Camp**]** $25,000 of which shall be used for summer camp and $25,000 of which shall be used for job training.

[(TT)**]** (tt) The sum of $250,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $250,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to Windham Public Schools.

[(UU)**]** (uu) The sum of $750,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $750,000 of the amount appropriated in said section to the Department of Education, for Teacher Residency RESC Alliance, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years for a teacher residency program operated by the RESC Alliance.

[(VV)**]** (vv) The sum of $500,000 of the amount appropriated in section 1 of **[**this act**]** public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal **[**years**]** year ending June 30, 2026, and the sum of $500,000 of the amount appropriated in said section to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in **[**each of**]** said fiscal years to provide a grant to the State Education Resource Center for disconnected youth programming.

(ww) The sum of $75,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to DT Cares.

(xx) The sum of $150,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to African Caribbean American Parents of Children with Disabilities.

(yy) The sum of $200,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to CIAC/CAS.

(zz) The sum of $100,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to Athlife.

(A) The sum of $500,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Magnet Schools, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to Goodwin University Magnet Schools.

(B) The sum of $125,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to Big Brothers Big Sisters.

(C) The sum of $150,000 of the amount appropriated in section 1 of

public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to CAS.

(D) The sum of $30,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to Bethel High School All Sports Booster Club.

(E) The sum of $80,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to Plainville Public Schools.

(F) The sum of $100,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to Waterford Public Schools.

(G) The sum of $75,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to Scotland Elementary School Extended School Year Program.

(H) The sum of $75,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to Parent Leadership Training Institute.

(I) The sum of $80,000 of the amount appropriated in section 1 of

public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to Rocky Hill Board of Education to enclose library and art spaces at West Hill School.

(J) The sum of $100,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to Newington Board of Education for Nor'easter Academy.

(K) The sum of $250,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to provide a grant to Middletown Public Schools for school security.

Sec. 13. (*Effective from passage*) Up to $100,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Other Expenses, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, to provide a grant to CFAL for Digital Inclusion for literacy training.

Sec. 14. (*Effective from passage*) Up to $250,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Other Expenses, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, to provide a grant to RESC Alliance.

Sec. 15. (*Effective from passage*) The sum of $200,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal year ending June 30, 2026, and made available to provide a grant to Free Agent Now, shall not lapse on June 30, 2026, and such funds shall be carried forward and made available during the fiscal year ending June 30, 2027, for the same purpose.

Sec. 16. (*Effective from passage*) The following sums from the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Judicial Department, for Youth Services Prevention, for the fiscal year ending June 30, 2026, shall be made available in said fiscal year as follows:

(1) $75,000 to Dominican American Coalition of Connecticut, Inc.;

(2) $30,000 to Intempo Organization, Inc.;

(3) $200,000 to My Architecture Workshops, Inc.;

(4) $50,000 to Second Chance Re-entry Initiative Program (SCRIP); and

(5) $55,000 to Tri-Town Youth Services.

Sec. 17. Section 9 of public act 26-1 is amended to read as follows (*Effective from passage*):

The sum of $1,500,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Social Services, for Other Expenses, for the fiscal year ending June 30, 2026, and the sum of $1,000,000 of such amount appropriated for the fiscal year ending June 20, 2027, shall be made available in said fiscal years for grants **[**to**]** in support of school districts in Newington, Wethersfield, Cromwell, Rocky Hill and Middletown for the support or establishment

of high acuity, school-based mental health programming. For purposes of this section, (1) "high acuity, school-based mental health programming" means programming offered by a qualified provider that includes (A) clinical care to prevent the need for out-of-district placements for students with intensive behavioral health challenges or return such students from such placements to their home districts, (B) in-person therapeutic services provided in a designated school space by mental health clinicians who have attained at least a master's degree in a related mental health education program, and (C) therapeutic support capabilities, including, but not limited to, regular clinical supervision, quality and risk management data analysis and monitoring and specific interventions meant to reduce chronic student absenteeism; and (2) "qualified provider" means a provider of high acuity, school-based mental health programming that is designated as an outpatient psychiatric clinic for children by the Department of Children and Families and certified or contracted to bill Medicaid or commercial insurance in the state.

Sec. 18. (*Effective from passage*) Up to $500,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to the town of Glastonbury for parks and recreation.

Sec. 19. (*Effective from passage*) Up to $50,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to PARC, Inc. in the town of Plainville.

Sec. 20. (*Effective from passage*) Up to $85,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, for projects in the town of Newington, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for such projects as follows: (1) Up to $15,000 for town pools project planning; (2) up to $30,000 for fire department planning; (3) up to $20,000 for animal shelter planning; and (4) up to $20,000 for Lucy Robbins Welles Library renovation planning.

Sec. 21. (*Effective from passage*) Up to $10,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, to provide a grant-in-aid to A Little Compassion, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be made available during the fiscal year ending June 30, 2027, to provide a grant-in-aid to Tri-Town Youth Services Bureau.

Sec. 22. (*Effective from passage*) Up to $50,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, to provide a grant-in-aid to the Stratford Veterans Museum.

Sec. 23. (*Effective from passage*) Up to $250,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Energy and Environmental Protection, for Other Expenses, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, to provide a grant-in-aid to Sustainable CT.

Sec. 24. (*Effective from passage*) Up to $1,000,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Office of Policy and Management, for Other Expenses, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, to provide a grant-in-aid to the city of Hartford for outdoor recreation.

Sec. 25. (*Effective from passage*) Up to $50,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the State Library, for Other Expenses, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, to provide a grant-in-aid to the town of Middletown for Russell Library.

Sec. 26. (*Effective from passage*) Up to $4,730,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Energy and Environmental Protection, for Other Expenses, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, to reimburse the city of Hartford for work performed at Batterson Park.

Sec. 27. (*Effective from passage*) (a) The sum of $1,750,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Judicial Department, for Legal Aid, for the fiscal year ending June 30, 2026, and made available for the Right to Counsel program, shall not lapse on June 30, 2026, and such funds shall be carried forward and made available during the fiscal year ending June 30, 2027, for the same purpose.

(b) Up to $2,500,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Judicial Department, for Legal Aid, for the fiscal year ending June 30, 2027, and made available for the

Right to Counsel program, shall not lapse on June 30, 2027, and such funds shall be carried forward and made available during the fiscal year ending June 30, 2028, for the same purpose.

Sec. 28. (*Effective from passage*) The unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Office of Early Childhood, for Early Care and Education, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be transferred to the Office of Early Childhood, for Care4Kids TANF/CCDF, and made available during the fiscal year ending June 30, 2027, for the family child care provider agreement.

Sec. 29. (*Effective from passage*) Up to $200,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Southend Senior Center in the city of Hartford.

Sec. 30. (*Effective from passage*) Up to $200,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Parkville Senior Center.

Sec. 31. (*Effective from passage*) Up to $200,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-

in-aid to Wethersfield Senior Center.

Sec. 32. (*Effective from passage*) Up to $90,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Hartford Communities That Care for musical instruments and instruction.

Sec. 33. (*Effective from passage*) Up to $90,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to SAND Elementary School in the city of Hartford for musical instruments and instruction.

Sec. 34. (*Effective from passage*) Up to $90,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Kennelly School in the city of Hartford for musical instruments and instruction.

Sec. 35. (*Effective from passage*) Up to $90,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and

made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Naylor School in the city of Hartford for musical instruments and instruction.

Sec. 36. (*Effective from passage*) Up to $250,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Wethersfield Early Childhood Collaborative for recruitment ambassadors.

Sec. 37. (*Effective from passage*) Up to $525,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Clay Arsenal CDC.

Sec. 38. (*Effective from passage*) Up to $500,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Emergency Services and Public Protection, for Other Expenses, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be transferred to the Department of Emergency Services and Public Protection, for Various Grants, and made available, during the fiscal year ending June 30, 2027, for a grant-in-aid to the city of Bridgeport for its police department drone program.

Sec. 39. (*Effective from passage*) Up to $200,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community

Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to the Naugatuck American Legion.

Sec. 40. (*Effective from passage*) Up to $450,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be transferred to the Department of Education, for Various Grants, and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Effective School Solutions.

Sec. 41. (*Effective from passage*) Up to $1,150,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Working Cities Challenge/Middletown Works.

Sec. 42. (*Effective from passage*) Up to $600,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Milford Founders Walk.

Sec. 43. (*Effective from passage*) Up to $100,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Judicial Department, for Youth Services Prevention, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be transferred to the Department of Economic

and Community Development, for Various Grants, and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to My Architecture Workshops.

Sec. 44. (*Effective from passage*) Up to $20,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Judicial Department, for Other Expenses, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Middletown Racial Justice.

Sec. 45. (*Effective from passage*) Up to $1,000,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to the town of Manchester for parks and recreation.

Sec. 46. (*Effective from passage*) Up to $250,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to the town of Bolton for parks and recreation.

Sec. 47. (*Effective from passage*) The sum of $500,000 appropriated in section 1 of public act 25-168, as amended by this act, to Connecticut State Colleges and Universities, for Charter Oak State College, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be transferred to the Connecticut State Colleges and Universities, for Various Grants, and made available during the fiscal year ending June 30, 2027, for AI Academy.

Sec. 48. (*Effective from passage*) Up to $150,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Middletown Board of Education.

Sec. 49. (*Effective from passage*) Up to $1,500,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Social Services, for Other Expenses, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Effective School Solutions.

Sec. 50. (*Effective from passage*) Up to $90,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Economic and Community Development, for Various Grants, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Connecticut AI Alliance for an AI symposium grant.

Sec. 51. (*Effective from passage*) Up to $25,000 of the unexpended balance of funds appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Other Expenses, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, for a grant-in-aid to Burns Latino Academy for musical instruments and instruction.

Sec. 52. (*Effective July 1, 2026*) For the fiscal year ending June 30, 2027, the Secretary of the Office of Policy and Management shall distribute

$250,000 as a regional performance incentive program grant to the Southeastern Connecticut Council of Governments for a pilot program to consolidate public service answering points.

Sec. 53. (*Effective July 1, 2026*) For the fiscal year ending June 30, 2027, the Secretary of the Office of Policy and Management shall distribute $800,000 as a regional performance incentive program grant to the Capitol Region Council of Governments for CTFastrak east expansion.

Sec. 54. (*Effective from passage*) In addition to payments due to municipalities and districts under subsection (e) of section 4-66p of the general statutes, for the fiscal year ending June 30, 2027, each municipality listed below shall receive the following supplemental revenue sharing grant from the General Fund:

Grantee	Grant Amount
Waterbury	3,000,000
Manchester	800,000
Vernon	500,000

Sec. 55. (*Effective from passage*) Section 9 of public act 26-42 shall take effect July 1, 2027.

Sec. 56. Subsection (e) of section 8-169jj of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(e) The authority shall have the power to negotiate, and, with the approval of the Secretary of the Office of Policy and Management <u>and the legislative body of the municipality in which a development district is located, or when the legislative body is the town meeting, the board of selectmen</u>, to enter into an agreement with any private developer, owner or lessee of any building or improvement located on land in a

development district providing for payments to the authority in lieu of real property taxes. Such an agreement shall **[**be made a condition of any private right of development within the development district, and shall**]** include a requirement that such private developer, owner or lessee make good faith efforts to hire, or cause to be hired, available and qualified minority business enterprises, as defined in section 4a-60g, to provide construction services and materials for improvements to be constructed within the development district in an effort to achieve a minority business enterprise utilization goal of ten per cent of the total costs of construction services and materials for such improvements. Such payments to the authority in lieu of real property taxes shall have the same lien and priority, and may be enforced by the authority in the same manner, as provided for municipal real property taxes. Such payments as received by the authority shall be used to carry out the purposes of the authority set forth in subsection (a) of this section.

Sec. 57. Subsection (a) of section 8-169*ll* of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) (1) Any municipality, except the city of Hartford or the town of East Hartford, may, by certified resolution of the legislative body of the municipality, or by the board of selectmen in a municipality where the legislative body is the town meeting, opt to join the Connecticut Municipal Development Authority as a member municipality, provided such municipality holds a public hearing or otherwise provides for public comment prior to any vote on such certified resolution.

(2) Any municipality that opts to join the authority as a member municipality or that is deemed a member municipality pursuant to this subsection shall enter into a memorandum of agreement with the authority **[**for the establishment of**]** <u>to establish</u> one or more development districts.

Sec. 58. Subsection (b) of section 8-37x of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) The Commissioner of Housing may: (1) Collect and correlate information regarding housing projects of authorities in the state and upon request to furnish the authorities, in matters of common interest, information, advice and the services of expert personnel; (2) study state-wide needs for the elimination of substandard housing to stimulate state and city planning involving housing, and otherwise to study housing needs, both rural and urban, and to formulate proposals for meeting these needs; (3) study methods of encouraging investment of private capital in low rent housing; (4) study the necessity, feasibility and advantage of the use of state credit by way of loan or subsidy to assist the financing of housing projects for persons of low income; **[**and**]** (5) accept grants-in-aid of any of said commissioner's powers made pursuant to the provisions of any state or federal law and, for the purpose of complying with the requirements or recommendations of any such law, to prepare such plans and specifications and to make such studies, surveys, reports or recommendations concerning existing or contemplated housing conditions or projects in the state as may be necessary or appropriate; and (6) provide for the planning and construction of a housing project, as defined in section 8-39.

Sec. 59. Section 47a-4d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section, "tenant screening report" means a credit report, a criminal background report, an employment history report, a rental history report or any combination thereof, used by a landlord to determine the suitability of a prospective tenant.

(b) No landlord, third party acting on behalf of a landlord, or third party acting on behalf of the state may demand from a prospective

tenant any payment, fee or charge for the processing, review or acceptance of any rental application, or demand any other payment, fee or charge before or at the beginning of the tenancy, except a security deposit pursuant to section 47a-21, advance payment for the first month's rent or a deposit for a key or any special equipment, or a fee for a tenant screening report as provided in subsection (c) of this section. No landlord may charge a tenant a move-in or move-out fee.

(c) On and after **[**October 1, 2023**]** the effective date of this section, a landlord, a third party acting on behalf of a landlord, or a third party acting on behalf of the state may charge a fee not exceeding fifty dollars plus an adjustment reflecting any increase in the consumer price index for urban consumers, as determined by the Commissioner of Housing on an annual basis, for a tenant screening report concerning a prospective tenant.

(d) A landlord, a third party acting on behalf of a landlord, or a third party acting on behalf of the state that charges a fee for a tenant screening report concerning a prospective tenant shall provide the prospective tenant with (1) a copy of the tenant screening report or, if the landlord, third party acting on behalf of a landlord, or third party acting on behalf of the state is prohibited from providing such a copy, information concerning such report that would allow such tenant to request a copy of such report from the service provider that produced such report, and (2) a copy of the receipt or invoice from the entity conducting the tenant screening report concerning the prospective tenant.

Sec. 60. Subsection (b) of section 12-263s of the 2026 supplement to the general statutes, as amended by section 361 of public act 25-168, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026, and applicable to calendar quarters commencing on or after July 1, 2026*):

(b) Each taxpayer doing business in this state shall, on or before the

last day of January, April, July and October of each year, render to the commissioner a quarterly return, on forms prescribed or furnished by the commissioner and signed by one of the taxpayer's principal officers, stating specifically the name and location of such taxpayer, the amount of its net patient revenue **[**, nursing facility service revenue, intermediate care facility service revenue**]** or resident days during the calendar quarter ending on the last day of the preceding month and such other information as the commissioner deems necessary for the proper administration of this section and the state's Medicaid program. The taxes and fees imposed under section 12-263q or 12-263r shall be due and payable on the due date of such return. Each taxpayer shall be required to file such return electronically with the department and to make such payment by electronic funds transfer in the manner provided by chapter 228g, irrespective of whether the taxpayer would have otherwise been required to file such return electronically or to make such payment by electronic funds transfer under the provisions of said chapter.

Sec. 61. Sections 359, 363 and 364 of public act 25-168 are repealed. (*Effective from passage*)

Sec. 62. (NEW) (*Effective July 1, 2026*) (a) On and after July 1, 2026, the Commissioner of Motor Vehicles shall issue Pizza State commemorative number plates of a design to enhance public awareness of the state's pizza-making tradition and to provide funding to Connecticut Foodshare. The design shall be determined by the commissioner. No use shall be made of such plates except as official registration marker plates.

(b) The Commissioner of Motor Vehicles shall charge a fee of sixty-five dollars for Pizza State commemorative number plates, in addition to the regular fee or fees prescribed for the registration of a motor vehicle. The commissioner shall deposit fifteen dollars of such fee into an account controlled by the Department of Motor Vehicles to be used for the cost of producing, issuing, renewing and replacing such number

plates, and fifty dollars of such fee into the Pizza State commemorative account established under subsection (d) of this section. Except as provided in subsection (f) of this section, no additional fee shall be charged in connection with the renewal of such number plates. No transfer fee shall be charged for transfer of an existing registration to or from a registration with Pizza State commemorative number plates. Such number plates shall have letters and numbers selected by the Commissioner of Motor Vehicles. The commissioner may establish a higher fee for number plates: (1) That contain the numbers and letters from a previously issued number plate; (2) that contain letters in place of numbers, as authorized by section 14-49 of the general statutes, in addition to the fee or fees prescribed for registration under said section; and (3) that are low number plates issued in accordance with section 14-160 of the general statutes, in addition to the fee or fees prescribed for registration under said section. All fees established and collected pursuant to this section, except moneys designated for administrative costs of the Department of Motor Vehicles, shall be deposited in the Pizza State commemorative account.

(c) The Commissioner of Motor Vehicles may adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to establish standards and procedures for the issuance, renewal and replacement of Pizza State commemorative number plates.

(d) There is established an account to be known as the "Pizza State commemorative account", which shall be a separate, nonlapsing account. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be distributed annually by the Department of Motor Vehicles to Connecticut Foodshare. The commissioner may receive private donations to the account and any such receipts shall be deposited in the account.

(e) The Commissioner of Motor Vehicles may provide for the reproduction and marking of the Pizza State commemorative number

plates image for use on clothing, recreational equipment, posters, mementoes or other products or programs deemed by the commissioner to be suitable as a means of supporting the Pizza State commemorative account. Any moneys received by the commissioner from such marketing shall be deposited in the account.

(f) The Commissioner of Motor Vehicles may allow a registrant to make an additional voluntary donation of fifteen dollars at the time of registration renewal for any motor vehicle bearing a Pizza State commemorative number plate. Any such donation shall be deposited in the Pizza State commemorative account.

Sec. 63. Subsection (a) of section 29-1r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There is established a Department of Emergency Services and Public Protection. Said department shall be the designated emergency management and homeland security agency for the state. The department head shall be the Commissioner of Emergency Services and Public Protection, who shall be appointed by the Governor in accordance with sections 4-5 to 4-8, inclusive, with the powers and duties prescribed in said sections. The commissioner shall be responsible for providing a coordinated, integrated program for the protection of life and property and for state-wide emergency management and homeland security. The commissioner shall appoint not more than **[**two**]** three deputy commissioners who shall, under the direction of the commissioner, assist in the administration of the department. The commissioner may do all things necessary to apply for, qualify for and accept any federal funds made available or allotted under any federal act for emergency management or homeland security.

Sec. 64. Subsection (d) of section 14-21cc of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu

thereof (*Effective July 1, 2026*):

(d) The funds in the account shall be distributed **[**quarterly**]** annually by the Secretary of the Office of Policy and Management to Hispanic-American Veterans of Connecticut, Inc.

Sec. 65. Subsection (a) of section 4-65a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There shall be an Office of Policy and Management which shall be responsible for all aspects of state staff planning and analysis in the areas of budgeting, management, planning, **[**energy policy determination and evaluation,**]** intergovernmental policy, criminal and juvenile justice planning and program evaluation. The department head shall be the Secretary of the Office of Policy and Management, who shall be appointed by the Governor in accordance with the provisions of sections 4-5, 4-6, 4-7 and 4-8, with all the powers and duties therein prescribed. The Secretary of the Office of Policy and Management shall be the employer representative (1) in collective bargaining negotiations concerning changes to the state employees retirement system and health and welfare benefits, and (2) in all other matters involving collective bargaining, including negotiation and administration of all collective bargaining agreements and supplemental understandings between the state and the state employee unions concerning all executive branch employees except (A) employees of the Division of Criminal Justice, and (B) faculty and professional employees of boards of trustees of constituent units of the state system of higher education. The secretary may designate a member of the secretary's staff to act as the employer representative in the secretary's place.

Sec. 66. Subsection (b) of section 7-74 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) (1) The fee for a certified copy of a certificate of marriage or death shall be twenty dollars. Such fees shall not be required of the department.

(2) Any fee received by the Department of Public Health for a certificate of death shall be deposited in the neglected cemetery account, established in accordance with section 19a-308b.

(3) On or before October 31, 2026, and quarterly thereafter, the Commissioner of Public Health shall certify to the Secretary of the Office of Policy and Management the amount of fees collected in accordance with subdivision (1) of this subsection during the immediately preceding calendar quarter and the balance in the neglected cemetery account, established in accordance with section 19a-308b, as of the last day of the immediately preceding calendar quarter.

Sec. 67. Section 46a-52 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) The commission shall consist of nine persons. On and after October 1, 2000, such persons shall be appointed with the advice and consent of both houses of the General Assembly. (1) On or before July 15, 1990, the Governor shall appoint five members of the commission, three of whom shall serve for terms of five years and two of whom shall serve for terms of three years. Upon the expiration of such terms, and thereafter, the Governor shall appoint either two or three members, as appropriate, to serve for terms of five years. On or before July 14, 1990, the president pro tempore of the Senate, the minority leader of the Senate, the speaker of the House of Representatives and the minority leader of the House of Representatives shall each appoint one member to serve for a term of three years. Upon the expiration of such terms, and thereafter, members so appointed shall serve for terms of three years. (2) If any vacancy occurs, the appointing authority making the initial appointment shall appoint a person to serve for the remainder of the

unexpired term. The Governor shall select one of the members of the commission to serve as chairperson for a term of one year. The commission shall meet at least once during each two-month period and at such other times as the chairperson deems necessary. Special meetings shall be held on the request of a majority of the members of the commission after notice in accordance with the provisions of section 1-225.

(b) Except as provided in section 46a-57, the members of the commission shall serve without pay, but their reasonable expenses, including educational training expenses and expenses for necessary stenographic and clerical help, shall be paid by the state upon approval of the Commissioner of Administrative Services. Not later than two months after appointment to the commission, each member of the commission shall receive a minimum of ten hours of introductory training prior to voting on any commission matter. Each year following such introductory training, each member shall receive five hours of follow-up training. Such introductory and follow-up training shall consist of instruction on the laws governing discrimination in employment, housing, public accommodation and credit, affirmative action and the procedures of the commission. Such training shall be organized by the managing director of the legal division of the commission. Any member who fails to complete such training shall not vote on any commission matter. Any member who fails to comply with such introductory training requirement within six months of appointment shall be deemed to have resigned from office. Any member who fails to attend three consecutive meetings or who fails to attend fifty per cent of all meetings held during any calendar year shall be deemed to have resigned from office.

(c) On or before July 15, 1989, the commission shall appoint an executive director who shall be the chief executive officer of the Commission on Human Rights and Opportunities to serve for a term

expiring on July 14, 1990. Upon the expiration of such term and thereafter, the executive director shall be appointed for a term of four years. The executive director shall be supervised and annually evaluated by the commission. The executive director shall serve at the pleasure of the commission but no longer than four years from July fifteenth in the year of his or her appointment unless reappointed pursuant to the provisions of this subsection. The executive director shall receive an annual salary within the salary range of a salary group established by the Commissioner of Administrative Services for the position. The executive director (1) shall conduct comprehensive planning with respect to the functions of the commission; (2) shall coordinate the activities of the commission; and (3) shall cause the administrative organization of the commission to be examined with a view to promoting economy and efficiency. In accordance with established procedures, the executive director may enter into such contractual agreements as may be necessary for the discharge of the director's duties.

(d) The executive director may appoint no more than two deputy directors with the approval of a majority of the members of the commission. The deputy directors shall be supervised by the executive director and shall assist the executive director in the administration of the commission, the effectuation of its statutory responsibilities and such other duties as may be assigned by the executive director. Deputy directors shall serve at the pleasure of the executive director and without tenure. The executive director may remove a deputy director with the approval of a majority of the members of the commission.

[(e) The commission shall be within the Labor Department for administrative purposes only.**]**

Sec. 68. Subsection (d) of section 1-84 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(d) No public official or state employee or employee of such public official or state employee shall agree to accept, or be a member or employee of a partnership, association, professional corporation or sole proprietorship which partnership, association, professional corporation or sole proprietorship agrees to accept any employment, fee or other thing of value, or portion thereof, for appearing, agreeing to appear, or taking any other action on behalf of another person before the Department of Banking, the Office of the Claims Commissioner, the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health, the Insurance Department, the Department of Consumer Protection, the Department of Motor Vehicles, the State Insurance and Risk Management Board, the Department of Energy and Environmental Protection, the Public Utilities Regulatory Authority, the Connecticut Siting Council or the Connecticut Real Estate Commission; provided this shall not prohibit any such person from making inquiry for information on behalf of another before any of said commissions or commissioners if no fee or reward is given or promised in consequence thereof. For the purpose of this subsection, partnerships, associations, professional corporations or sole proprietorships refer only to such partnerships, associations, professional corporations or sole proprietorships which have been formed to carry on the business or profession directly relating to the employment, appearing, agreeing to appear or taking of action provided for in this subsection. Nothing in this subsection shall prohibit any employment, appearing, agreeing to appear or taking action before any municipal board, commission or council. Nothing in this subsection shall be construed as applying (1) to the actions of any teaching or research professional employee of a public institution of higher education if such actions are not in violation of any other provision of this chapter, (2) to the actions of any other professional employee of a public institution of higher education if such actions are not compensated and are not in violation of any other provision of this chapter, (3) to any member of a board or commission who receives no compensation other than per diem payments or

reimbursement for actual or necessary expenses, or both, incurred in the performance of the member's duties, or (4) to any member or director of a quasi-public agency. Notwithstanding the provisions of this subsection to the contrary, a legislator, an officer of the General Assembly or part-time legislative employee may be or become a member or employee of a firm, partnership, association or professional corporation which represents clients for compensation before agencies listed in this subsection, provided the legislator, officer of the General Assembly or part-time legislative employee shall take no part in any matter involving the agency listed in this subsection and shall not receive compensation from any such matter. Receipt of a previously established salary, not based on the current or anticipated business of the firm, partnership, association or professional corporation involving the agencies listed in this subsection, shall be permitted.

Sec. 69. Subsection (c) of section 1-84b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(c) The provisions of this subsection apply to present or former executive branch public officials or state employees of an agency who hold or formerly held positions which involve significant decision-making or supervisory responsibility. Such positions shall be designated as such by the agency concerned, in consultation with the Office of State Ethics, except that such provisions shall not apply to members or former members of the boards or commissions who serve ex officio, who are required by statute to represent the regulated industry or who are permitted by statute to have a past or present affiliation with the regulated industry. On or before November **[**1, 2021, and not less than**]** first annually, **[**thereafter,**]** the head of each agency concerned, or his or her designee, shall submit the designation of all positions in existence on such date that are subject to the provisions of this subsection to the office electronically, in a manner prescribed by the

Citizen's Ethics Advisory Board. If an agency creates such a position after its annual submission under this subsection, the head of such agency, or his or her designee, shall submit the designation of the newly created position not later than thirty days after the creation of such position. As used in this subsection, "agency" means the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health, the Connecticut Siting Council, the Department of Banking, the Insurance Department, the Department of Emergency Services and Public Protection, the office within the Department of Consumer Protection that carries out the duties and responsibilities of sections 30-2 to 30-68m, inclusive, the Public Utilities Regulatory Authority, including the Office of Consumer Counsel, and the Department of Consumer Protection and the term "employment" means professional services or other services rendered as an employee or as an independent contractor.

(1) No public official or state employee in an executive branch position designated pursuant to the provisions of this subsection shall negotiate for, seek or accept employment with any business subject to regulation by his agency.

(2) No former public official or state employee who held such a position in the executive branch shall, within one year after leaving an agency, accept employment with a business subject to regulation by that agency.

(3) No business shall employ a present or former public official or state employee in violation of this subsection.

Sec. 70. Subsection (b) of section 2-137 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) The committee shall consist of the following members:

(1) The chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to public health, human services, children and appropriations and the budgets of state agencies, or their designees;

(2) Three appointed by the speaker of the House of Representatives, one of whom shall be a member of the General Assembly and two of whom shall be providers of behavioral health services for children in the state;

(3) Three appointed by the president pro tempore of the Senate, one of whom shall be a member of the General Assembly and two of whom shall be representatives of private advocacy groups that provide services for children and families in the state;

(4) (A) Two appointed by the chairperson of the committee selected by the speaker of the House of Representatives pursuant to subsection (e) of this section, one of whom shall be a child or youth advocate; (B) two appointed by the chairperson of the committee selected by the president pro tempore of the Senate pursuant to subsection (e) of this section, one of whom shall be a child or youth advocate; and (C) two jointly appointed by the three chairpersons of the committee, as described in subsection (e) of this section, who shall be providers of substance use treatment services to young adults;

(5) Two appointed by the majority leader of the House of Representatives, who shall be representatives of children's hospitals;

(6) One appointed by the majority leader of the Senate, who shall be a representative of public school superintendents in the state;

(7) Two appointed by the minority leader of the House of Representatives, who shall be representatives of families with children who have been diagnosed with behavioral health disorders;

(8) Two appointed by the minority leader of the Senate, who shall be providers of behavioral health services;

(9) Two jointly appointed by the chairpersons of the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, each of whom shall be a representative of one of the two federally recognized Indian tribes in the state;

(10) The Commissioners of Children and Families, Correction, Developmental Services, Early Childhood, Education, Insurance, Mental Health and Addiction Services, Public Health and Social Services, or their designees;

[(11) The Commissioner of Health Strategy, or the commissioner's designee;**]**

[(12)**]** (11) The Child Advocate, or the Child Advocate's designee;

[(13)**]** (12) The Healthcare Advocate and the Behavioral Health Advocate, or their designees;

[(14)**]** (13) The executive director of the Court Support Services Division of the Judicial Branch, or the executive director's designee;

[(15)**]** (14) The executive director of the Commission on Women, Children, Seniors, Equity and Opportunity, or the executive director's designee;

[(16)**]** (15) The Secretary of the Office of Policy and Management, or the secretary's designee; and

[(17)**]** (16) One representative from each administrative services organization under contract with the Department of Social Services to provide such services for recipients of assistance under the HUSKY Health program, who shall be ex-officio, nonvoting members.

Sec. 71. Section 4-5 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

As used in sections 4-6, 4-7 and 4-8, the term "department head" means the Secretary of the Office of Policy and Management, Commissioner of Administrative Services, Commissioner of Revenue Services, Banking Commissioner, Commissioner of Children and Families, Commissioner of Consumer Protection, Commissioner of Correction, Commissioner of Economic and Community Development, State Board of Education, Commissioner of Emergency Services and Public Protection, Commissioner of Energy and Environmental Protection, Commissioner of Agriculture, Commissioner of Public Health, Insurance Commissioner, Labor Commissioner, Commissioner of Mental Health and Addiction Services, Commissioner of Social Services, Commissioner of Developmental Services, Commissioner of Motor Vehicles, Commissioner of Transportation, Commissioner of Veterans Affairs, Commissioner of Housing, Commissioner of Aging and Disability Services, Commissioner of Early Childhood, **[**Commissioner of Health Strategy,**]** executive director of the Office of Military Affairs, executive director of the Technical Education and Career System, Chief Workforce Officer and Commissioner of Higher Education. As used in sections 4-6 and 4-7, "department head" also means the Commissioner of Education.

Sec. 72. Subsection (b) of section 4-101a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) Grants, technical assistance or consultation services, or any combination thereof, provided under this section may be made to assist a nongovernmental acute care general hospital to develop and implement a plan to achieve financial stability and assure the delivery of appropriate health care services in the service area of such hospital, or to assist a nongovernmental acute care general hospital in

determining strategies, goals and plans to ensure its financial viability or stability. Any such hospital seeking such grants, technical assistance or consultation services shall prepare and submit to the Office of Policy and Management and the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health a plan that includes at least the following: (1) A statement of the hospital's current projections of its finances for the current and the next three fiscal years; (2) identification of the major financial issues which effect the financial stability of the hospital; (3) the steps proposed to study or improve the financial status of the hospital and eliminate ongoing operating losses; (4) plans to study or change the mix of services provided by the hospital, which may include transition to an alternative licensure category; and (5) other related elements as determined by the Office of Policy and Management. Such plan shall clearly identify the amount, value or type of the grant, technical assistance or consultation services, or combination thereof, requested. Any grants, technical assistance or consultation services, or any combination thereof, provided under this section shall be determined by the Secretary of the Office of Policy and Management not to jeopardize the federal matching payments under the medical assistance program and the emergency assistance to families program as determined by the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health or the Department of Social Services in consultation with the Office of Policy and Management.

Sec. 73. Subsection (b) of section 8-37vvv of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) The council shall consist of the following regular members:

(1) Two appointed by the president pro tempore of the Senate, one of whom is an individual who is experiencing or has experienced homelessness and one of whom is a representative of a continuum of

care organization;

(2) Two appointed by the speaker of the House of Representatives, one of whom is a representative of an organization that advocates for victims of domestic violence or domestic violence prevention and one of whom is a representative of an organization that provides shelters or housing for individuals experiencing homelessness;

(3) One appointed by the majority leader of the Senate, who is a representative of a public housing authority;

(4) One appointed by the majority leader of the House of Representatives, who has expertise in mental health or addiction treatment;

(5) Two appointed by the minority leader of the Senate, one of whom is a representative of local government and one of whom is a representative of a philanthropic organization;

(6) Two appointed by the minority leader of the House of Representatives, one of whom is a representative of a faith-based organization and one of whom is a representative of a group that advocates for housing developers;

(7) Two appointed by the Commissioner of Housing;

(8) The Commissioner of Housing, or the commissioner's designee;

(9) The Commissioner of Aging and Disability Services, or the commissioner's designee;

(10) The Commissioner of Children and Families, or the commissioner's designee;

(11) The Commissioner of Correction, or the commissioner's designee;

(12) The Labor Commissioner, or the commissioner's designee;

(13) The Commissioner of Mental Health and Addiction Services, or the commissioner's designee;

(14) The Commissioner of Social Services, or the commissioner's designee;

(15) The Commissioner of Veterans Affairs, or the commissioner's designee;

(16) The Secretary of the Office of Policy and Management, or the secretary's designee;

(17) The executive director of the Court Support Services Division of the Judicial Department, or the executive director's designee;

[(18) The Commissioner of Health Strategy, or the commissioner's designee;**]**

[(19)**]** (18) The chief executive officer of the Connecticut Housing Finance Authority, or the chief executive officer's designee; and

[(20)**]** (19) The Long-Term Care Ombudsman.

Sec. 74. Subdivision (8) of subsection (c) of section 10-222tt of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(8) The commission, in consultation with the **[**Office of Health Strategy,**]** Office of the Healthcare Advocate and Department of Social Services, shall conduct a study to determine if certain special education services can be billed to Medicaid or other private insurance.

Sec. 75. Subsections (b) to (d), inclusive, of section 10-532 of the general statutes are repealed and the following is substituted in lieu

thereof (*Effective July 1, 2026*):

(b) The Commissioner of Early Childhood, in collaboration with the Commissioners of Social Services **[**,**]** and Public Health, **[**and Health Strategy,**]** shall, within available appropriations, develop a state-wide program to offer universal nurse home visiting services to all families with newborns residing in the state to support parental health, healthy child development and strengthen families.

(c) When developing the program, said commissioners shall (1) consult with insurers that offer health benefit plans in the state, hospitals, local public health authorities, existing early childhood home visiting programs, community-based organizations and social service providers; and (2) maximize the use of available federal funding.

(d) The program shall provide universal nurse home visiting services that are (1) evidence-based, and (2) designed to improve outcomes in one or more of the following areas: (A) Child safety; (B) child health and development; (C) family economic self-sufficiency; (D) maternal and parental health; (E) positive parenting; (F) reducing child mistreatment; (G) reducing family violence; (H) parent-infant bonding; and (I) any other appropriate area established, in writing, by the Commissioners of Early Childhood, Social Services **[**,**]** and Public Health. **[**and Health Strategy.**]**

Sec. 76. Subsection (b) of section 12-34h of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) Any pharmaceutical manufacturer or wholesale distributor that intends to withdraw an identified prescription drug from sale in this state shall, at least one hundred eighty days before such withdrawal, send advance written notice to the **[**Office of Health Strategy**]** commissioner disclosing such pharmaceutical manufacturer's or

wholesale distributor's intention.

Sec. 77. Subparagraph (B) of subdivision (1) of subsection (c) of section 12-263q of the 2026 supplement to the general statutes, as amended by section 360 of public act 25-168, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(B) For purposes of this subdivision, "financially distressed hospital" means a hospital that has experienced over the five-year period from October 1, 2011, through September 30, 2016, an average net loss of more than five per cent of aggregate revenue. A hospital has an average net loss of more than five per cent of aggregate revenue if such a loss is reflected in the applicable years of financial reporting that have been made available by the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health for such hospital in accordance with section 19a-670. Upon said commissioner's receipt of a determination by the Centers for Medicare and Medicaid Services that a hospital is not exempt, the total audited net revenue from the provision of outpatient hospital services for fiscal year 2016 shall be increased by such hospital's audited net revenue from the provision of outpatient hospital services for fiscal year 2016 and the effective rate of the tax due under this section shall be adjusted to ensure that the total amount of such tax to be collected under subsection (a) of this section is redistributed, commencing with the calendar quarter next succeeding the date of the determination by the Centers for Medicare and Medicaid Services.

Sec. 78. Section 17b-59a of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) As used in this section:

(1) "Electronic health information system" means an information

processing system, involving both computer hardware and software that deals with the storage, retrieval, sharing and use of health care information, data and knowledge for communication and decision making, and includes: (A) An electronic health record that provides access in real time to a patient's complete medical record; (B) a personal health record through which an individual, and anyone authorized by such individual, can maintain and manage such individual's health information; (C) computerized order entry technology that permits a health care provider to order diagnostic and treatment services, including prescription drugs electronically; (D) electronic alerts and reminders to health care providers to improve compliance with best practices, promote regular screenings and other preventive practices, and facilitate diagnoses and treatments; (E) error notification procedures that generate a warning if an order is entered that is likely to lead to a significant adverse outcome for a patient; and (F) tools to allow for the collection, analysis and reporting of data on adverse events, near misses, the quality and efficiency of care, patient satisfaction and other healthcare-related performance measures.

(2) "Interoperability" means the ability of two or more systems or components to exchange information and to use the information that has been exchanged and includes: (A) The capacity to physically connect to a network for the purpose of exchanging data with other users; and (B) the capacity of a connected user to access, transmit, receive and exchange usable information with other users.

(3) "Standard electronic format" means a format using open electronic standards that: (A) Enable health information technology to be used for the collection of clinically specific data; (B) promote the interoperability of health care information across health care settings, including reporting to local, state and federal agencies; and (C) facilitate clinical decision support.

(b) The Commissioner of Social Services, in consultation with the

[Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management, shall (1) develop, throughout the Departments of Developmental Services, Public Health, Correction, Children and Families, Veterans Affairs and Mental Health and Addiction Services, uniform management information, uniform statistical information, uniform terminology for similar facilities and uniform electronic health information technology standards, (2) plan for increased participation of the private sector in the delivery of human services, and (3) provide direction and coordination to federally funded programs in the human services agencies and recommend uniform system improvements and reallocation of physical resources and designation of a single responsibility across human services agencies lines to facilitate shared services and eliminate duplication.

(c) The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management shall, in consultation with the Commissioner of Social Services and the State Health Information Technology Advisory Council, established pursuant to section 17b-59f, implement and periodically revise the state-wide health information technology plan established pursuant to this section and shall establish electronic data standards to facilitate the development of integrated electronic health information systems for use by health care providers and institutions that receive state funding. Such electronic data standards shall: (1) Include provisions relating to security, privacy, data content, structures and format, vocabulary and transmission protocols; (2) limit the use and dissemination of an individual's Social Security number and require the encryption of any Social Security number provided by an individual; (3) require privacy standards no less stringent than the "Standards for Privacy of Individually Identifiable Health Information" established under the Health Insurance Portability and Accountability Act of 1996, P.L. 104-191, as amended from time to time, and contained in 45 CFR 160, 164; (4) require that individually identifiable health information be secure and that access to such information be traceable

by an electronic audit trail; (5) be compatible with any national data standards in order to allow for interstate interoperability; (6) permit the collection of health information in a standard electronic format; and (7) be compatible with the requirements for an electronic health information system.

(d) The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management shall, within existing resources and in consultation with the State Health Information Technology Advisory Council: (1) Oversee the development and implementation of the State-wide Health Information Exchange in conformance with section 17b-59d; (2) coordinate the state's health information technology and health information exchange efforts to ensure consistent and collaborative cross-agency planning and implementation; and (3) serve as the state liaison to, and work collaboratively with, the State-wide Health Information Exchange established pursuant to section 17b-59d to ensure consistency between the state-wide health information technology plan and the State-wide Health Information Exchange and to support the state's health information technology and exchange goals.

(e) The state-wide health information technology plan, implemented and periodically revised pursuant to subsection (c) of this section, shall enhance interoperability to support optimal health outcomes and include, but not be limited to (1) general standards and protocols for health information exchange, and (2) national data standards to support secure data exchange data standards to facilitate the development of a state-wide, integrated electronic health information system for use by health care providers and institutions that are licensed by the state. Such electronic data standards shall (A) include provisions relating to security, privacy, data content, structures and format, vocabulary and transmission protocols, (B) be compatible with any national data standards in order to allow for interstate interoperability, (C) permit the collection of health information in a standard electronic format, and (D)

be compatible with the requirements for an electronic health information system.

(f) Not later than February **[**1, 2017, and annually thereafter**]** first annually, the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management, in consultation with the State Health Information Technology Advisory Council, shall report in accordance with the provisions of section 11-4a to the joint standing committees of the General Assembly having cognizance of matters relating to human services and public health concerning: (1) The development and implementation of the state-wide health information technology plan and data standards, established and implemented by the **[**Commissioner of Health Strategy**]** secretary pursuant to this section; (2) the establishment of the State-wide Health Information Exchange; and (3) recommendations for policy, regulatory and legislative changes and other initiatives to promote the state's health information technology and exchange goals.

Sec. 79. Subsections (d) to (g), inclusive, of section 17b-59d of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(d) (1) The **[**Commissioner of Health Strategy, in consultation with the**]** Secretary of the Office of Policy and Management, **[**and**]** in consultation with the State Health Information Technology Advisory Council, established pursuant to section 17b-59f, shall, upon the approval by the State Bond Commission of bond funds authorized by the General Assembly for the purposes of establishing a State-wide Health Information Exchange, develop and issue a request for proposals for the development, management and operation of the State-wide Health Information Exchange. Such request shall promote the reuse of any and all enterprise health information technology assets, such as the existing Provider Directory, Enterprise Master Person Index, Direct Secure Messaging Health Information Service provider infrastructure,

analytic capabilities and tools that exist in the state or are in the process of being deployed. Any enterprise health information exchange technology assets purchased after June 2, 2016, and prior to the implementation of the State-wide Health Information Exchange shall be capable of interoperability with a State-wide Health Information Exchange.

(2) Such request for proposals may require an eligible organization responding to the request to: (A) Have not less than three years of experience operating either a state-wide health information exchange in any state or a regional exchange serving a population of not less than one million that (i) enables the exchange of patient health information among health care providers, patients and other authorized users without regard to location, source of payment or technology, (ii) includes, with proper consent, behavioral health and substance abuse treatment information, (iii) supports transitions of care and care coordination through real-time health care provider alerts and access to clinical information, (iv) allows health information to follow each patient, (v) allows patients to access and manage their health data, and (vi) has demonstrated success in reducing costs associated with preventable readmissions, duplicative testing or medical errors; (B) be committed to, and demonstrate, a high level of transparency in its governance, decision-making and operations; (C) be capable of providing consulting to ensure effective governance; (D) be regulated or administratively overseen by a state government agency; and (E) have sufficient staff and appropriate expertise and experience to carry out the administrative, operational and financial responsibilities of the State-wide Health Information Exchange.

(e) Notwithstanding the provisions of subsection (d) of this section, if, on or before January 1, 2016, the Commissioner of Social Services, in consultation with the State Health Information Technology Advisory Council, established pursuant to section 17b-59f, submits a plan to the

Secretary of the Office of Policy and Management for the establishment of a State-wide Health Information Exchange consistent with subsections (a), (b) and (c) of this section, **[**and such plan is approved by the secretary, the commissioner**]** the secretary may implement such plan and enter into any contracts or agreements to implement such plan.

(f) The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management shall have administrative authority over the State-wide Health Information Exchange. The **[**commissioner**]** secretary shall be responsible for designating, and posting on **[**its**]** the Office of Policy and Management's Internet web site, the list of systems, technologies, entities and programs that shall constitute the State-wide Health Information Exchange. Systems, technologies, entities, and programs that have not been so designated shall not be considered part of said exchange.

(g) The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management shall adopt regulations in accordance with the provisions of chapter 54 that set forth requirements necessary to implement the provisions of this section. The **[**commissioner**]** secretary may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures in regulation form, provided the **[**commissioner**]** secretary holds a public hearing at least thirty days prior to implementing such policies and procedures and publishes notice of intention to adopt the regulations on the Office of **[**Health Strategy's**]** Policy and Management's Internet web site and the eRegulations System not later than twenty days after implementing such policies and procedures. Policies and procedures implemented pursuant to this subsection shall be valid until the time such regulations are effective.

Sec. 80. Subsection (f) of section 17b-59e of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(f) The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management shall adopt regulations in accordance with the provisions of chapter 54 that set forth requirements necessary to implement the provisions of this section. The **[**commissioner**]** secretary may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures in regulation form, provided the **[**commissioner**]** secretary holds a public hearing at least thirty days prior to implementing such policies and procedures and publishes notice of intention to adopt the regulations on the Office of **[**Health Strategy's**]** Policy and Management's Internet web site and the eRegulations System not later than twenty days after implementing such policies and procedures. Policies and procedures implemented pursuant to this subsection shall be valid until the time such regulations are effective.

Sec. 81. Section 17b-59f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) There shall be a State Health Information Technology Advisory Council to advise the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management and the health information technology officer, designated in accordance with section **[**19a-754a**]** 4-66, in developing priorities and policy recommendations for advancing the state's health information technology and health information exchange efforts and goals and to advise the **[**commissioner**]** secretary and officer in the development and implementation of the state-wide health information technology plan and standards and the State-wide Health Information Exchange, established pursuant to section 17b-59d. The advisory council shall also advise the **[**commissioner**]** secretary and officer regarding the development of appropriate governance, oversight and accountability measures to ensure success in achieving the state's health information technology and exchange goals.

(b) The council shall consist of the following members:

(1) One member appointed by the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management, who shall be an expert in state health care reform initiatives;

(2) The health information technology officer, designated in accordance with section **[**19a-754a**]** 4-66, or the health information technology officer's designee;

(3) The Commissioners of Social Services, Mental Health and Addiction Services, Children and Families, Correction, Public Health and Developmental Services, or the commissioners' designees;

(4) The Chief Information Officer of the state, or the Chief Information Officer's designee;

(5) The chief executive officer of the Connecticut Health Insurance Exchange, or the chief executive officer's designee;

(6) The chief information officer of The University of Connecticut Health Center, or the chief information officer's designee;

(7) The Healthcare Advocate, or the Healthcare Advocate's designee;

(8) The Comptroller, or the Comptroller's designee;

(9) The Attorney General, or the Attorney General's designee;

(10) Five members appointed by the Governor, one each who shall be (A) a representative of a health system that includes more than one hospital, (B) a representative of the health insurance industry, (C) an expert in health information technology, (D) a health care consumer or consumer advocate, and (E) a current or former employee or trustee of a plan established pursuant to subdivision (5) of subsection (c) of 29 USC 186;

(11) Three members appointed by the president pro tempore of the

Senate, one each who shall be (A) a representative of a federally qualified health center, (B) a provider of behavioral health services, and (C) a physician licensed under chapter 370;

(12) Three members appointed by the speaker of the House of Representatives, one each who shall be (A) a technology expert who represents a hospital system, as defined in section 19a-486i, (B) a provider of home health care services, and (C) a health care consumer or a health care consumer advocate;

(13) One member appointed by the majority leader of the Senate, who shall be a representative of an independent community hospital;

(14) One member appointed by the majority leader of the House of Representatives, who shall be a physician who provides services in a multispecialty group and who is not employed by a hospital;

(15) One member appointed by the minority leader of the Senate, who shall be a primary care physician who provides services in a small independent practice;

(16) One member appointed by the minority leader of the House of Representatives, who shall be an expert in health care analytics and quality analysis;

(17) The president pro tempore of the Senate, or the president's designee;

(18) The speaker of the House of Representatives, or the speaker's designee;

(19) The minority leader of the Senate, or the minority leader's designee; and

(20) The minority leader of the House of Representatives, or the minority leader's designee.

(c) Any member appointed or designated under subdivisions (11) to (20), inclusive, of subsection (b) of this section may be a member of the General Assembly.

(d) (1) The health information technology officer, designated in accordance with section **[**19a-754a**]** 4-66, shall serve as a chairperson of the council. The council shall elect a second chairperson from among its members, who shall not be a state official. The chairpersons of the council may establish subcommittees and working groups and may appoint individuals other than members of the council to serve as members of the subcommittees or working groups. The terms of the members shall be coterminous with the terms of the appointing authority for each member and subject to the provisions of section 4-1a. If any vacancy occurs on the council, the appointing authority having the power to make the appointment under the provisions of this section shall appoint a person in accordance with the provisions of this section. A majority of the members of the council shall constitute a quorum. Members of the council shall serve without compensation, but shall be reimbursed for all reasonable expenses incurred in the performance of their duties.

(2) The chairpersons of the council may appoint up to four additional members to the council, who shall serve at the pleasure of the chairpersons.

(e) (1) The council shall establish a working group to be known as the All-Payer Claims Database Advisory Group. Said group shall include, but need not be limited to, (A) the Secretary of the Office of Policy and Management, the Comptroller, the Commissioners of Public Health, Social Services and Mental Health and Addiction Services, the Insurance Commissioner, the Healthcare Advocate and the Chief Information Officer, or their designees; (B) a representative of the Connecticut State Medical Society; and (C) representatives of health insurance companies, health insurance purchasers, hospitals, consumer advocates and health

care providers. The health information technology officer may appoint additional members to said group.

(2) The All-Payer Claims Database Advisory Group shall develop a plan to implement a state-wide multipayer data initiative to enhance the state's use of health care data from multiple sources to increase efficiency, enhance outcomes and improve the understanding of health care expenditures in the public and private sectors.

(f) Prior to submitting any application, proposal, planning document or other request seeking federal grants, matching funds or other federal support for health information technology or health information exchange, the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management or the Commissioner of Social Services shall present such application, proposal, document or other request to the council for review and comment.

Sec. 82. Subsections (a) and (b) of section 17b-59g of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) The state, acting by and through the Secretary of the Office of Policy and Management, **[**in collaboration with the Commissioner of Health Strategy,**]** shall establish a program to expedite the development of the State-wide Health Information Exchange, established under section 17b-59d, to assist the state, health care providers, insurance carriers, physicians and all stakeholders in empowering consumers to make effective health care decisions, promote patient-centered care, improve the quality, safety and value of health care, reduce waste and duplication of services, support clinical decision-making, keep confidential health information secure and make progress toward the state's public health goals. The purposes of the program shall be to (1) assist the State-wide Health Information Exchange in establishing and maintaining itself as a neutral and trusted entity that serves the public

good for the benefit of all Connecticut residents, including, but not limited to, Connecticut health care consumers and Connecticut health care providers and carriers, and (2) perform, on behalf of the state, the role of intermediary between public and private stakeholders and customers of the State-wide Health Information Exchange. **[**, and (3) fulfill the responsibilities of the Office of Health Strategy, as described in section 19a-754a.**]**

(b) The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management, in consultation with the health information technology officer, designated in accordance with section **[**19a-754**]** 4-66, shall design **[**, and the Secretary of the Office of Policy and Management, in collaboration with said commissioner,**]** and may establish or incorporate an entity to implement the program established under subsection (a) of this section. Such entity shall, without limitation, be owned and governed, in whole or in part, by a party or parties other than the state and may be organized as a nonprofit entity.

Sec. 83. Section 17b-312 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The Commissioner of Social Services shall seek, in accordance with the provisions of section 17b-8, **[**and in consultation with the Insurance Commissioner and the Office of Health Strategy established under section 19a-754a,**]** a waiver under Section 1115 of the Social Security Act, as amended from time to time, to seek federal funds to support the Covered Connecticut program established under section 19a-754c. Upon approval by the Centers for Medicare and Medicaid Services, the Commissioner of Social Services shall implement the waiver.

Sec. 84. Subsection (c) of section 17b-337 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(c) The Long-Term Care Planning Committee shall consist of: (1) The chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to human services, public health, elderly services and long-term care; (2) the Commissioner of Social Services, or the commissioner's designee; (3) one member of the Office of Policy and Management appointed by the Secretary of the Office of Policy and Management; (4) one member from the Department of Public Health appointed by the Commissioner of Public Health; (5) one member from the Department of Housing appointed by the Commissioner of Housing; (6) one member from the Department of Developmental Services appointed by the Commissioner of Developmental Services; (7) one member from the Department of Mental Health and Addiction Services appointed by the Commissioner of Mental Health and Addiction Services; (8) one member from the Department of Transportation appointed by the Commissioner of Transportation; (9) one member from the Department of Children and Families appointed by the Commissioner of Children and Families; **[**(10) one member from the Health Systems Planning Unit of the Office of Health Strategy appointed by the Commissioner of Health Strategy; and (11)**]** and (10) one member from the Department of Aging and Disability Services appointed by the Commissioner of Aging and Disability Services. The committee shall convene no later than ninety days after June 4, 1998. Any vacancy shall be filled by the appointing authority. The chairperson shall be elected from among the members of the committee. The committee shall seek the advice and participation of any person, organization or state or federal agency it deems necessary to carry out the provisions of this section.

Sec. 85. Subdivision (3) of subsection (f) of section 17b-340 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(3) For the fiscal year ending June 30, 1992, per diem maximum

allowable costs for each cost component shall be as follows: For direct costs, the maximum shall be equal to one hundred forty per cent of the median allowable cost of that peer grouping; for indirect costs, the maximum shall be equal to one hundred thirty per cent of the state-wide median allowable cost; for fair rent, the amount shall be calculated utilizing the amount approved by the **[**Office of Health Care Access**]** Health Systems Planning Unit of the Department of Public Health pursuant to section 19a-638; for capital-related costs, there shall be no maximum; and for administrative and general costs, the maximum shall be equal to one hundred twenty-five per cent of the state-wide median allowable cost. For the fiscal year ending June 30, 1993, per diem maximum allowable costs for each cost component shall be as follows: For direct costs, the maximum shall be equal to one hundred forty per cent of the median allowable cost of that peer grouping; for indirect costs, the maximum shall be equal to one hundred twenty-five per cent of the state-wide median allowable cost; for fair rent, the amount shall be calculated utilizing the amount approved by the **[**Office of Health Care Access**]** Health Systems Planning Unit pursuant to section 19a-638; for capital-related costs, there shall be no maximum; and for administrative and general costs the maximum shall be equal to one hundred fifteen per cent of the state-wide median allowable cost. For the fiscal year ending June 30, 1994, per diem maximum allowable costs for each cost component shall be as follows: For direct costs, the maximum shall be equal to one hundred thirty-five per cent of the median allowable cost of that peer grouping; for indirect costs, the maximum shall be equal to one hundred twenty per cent of the state-wide median allowable cost; for fair rent, the amount shall be calculated utilizing the amount approved by the **[**Office of Health Care Access**]** Health Systems Planning Unit pursuant to section 19a-638; for capital-related costs, there shall be no maximum; and for administrative and general costs the maximum shall be equal to one hundred ten per cent of the state-wide median allowable cost. For the fiscal year ending June 30, 1995, per diem maximum allowable costs for each cost component

shall be as follows: For direct costs, the maximum shall be equal to one hundred thirty-five per cent of the median allowable cost of that peer grouping; for indirect costs, the maximum shall be equal to one hundred twenty per cent of the state-wide median allowable cost; for fair rent, the amount shall be calculated utilizing the amount approved by the **[**Office of Health Care Access**]** Health Systems Planning Unit pursuant to section 19a-638; for capital-related costs, there shall be no maximum; and for administrative and general costs the maximum shall be equal to one hundred five per cent of the state-wide median allowable cost. For the fiscal year ending June 30, 1996, and any succeeding fiscal year, except for the fiscal years ending June 30, 2000, and June 30, 2001, for facilities with an interim rate in one or both periods, per diem maximum allowable costs for each cost component shall be as follows: For direct costs, the maximum shall be equal to one hundred thirty-five per cent of the median allowable cost of that peer grouping; for indirect costs, the maximum shall be equal to one hundred fifteen per cent of the state-wide median allowable cost; for fair rent, the amount shall be calculated utilizing the amount approved pursuant to section 19a-638; for capital-related costs, there shall be no maximum; and for administrative and general costs the maximum shall be equal to the state-wide median allowable cost. For the fiscal years ending June 30, 2000, and June 30, 2001, for facilities with an interim rate in one or both periods, per diem maximum allowable costs for each cost component shall be as follows: For direct costs, the maximum shall be equal to one hundred forty-five per cent of the median allowable cost of that peer grouping; for indirect costs, the maximum shall be equal to one hundred twenty-five per cent of the state-wide median allowable cost; for fair rent, the amount shall be calculated utilizing the amount approved pursuant to section 19a-638; for capital-related costs, there shall be no maximum; and for administrative and general costs, the maximum shall be equal to the state-wide median allowable cost and such medians shall be based upon the same cost year used to set rates for facilities with prospective rates. Costs in excess of the maximum amounts established under this

subsection shall not be recognized as allowable costs, except that the Commissioner of Social Services (A) may allow costs in excess of maximum amounts for any facility with patient days covered by Medicare, including days requiring coinsurance, in excess of twelve per cent of annual patient days which also has patient days covered by Medicaid in excess of fifty per cent of annual patient days; (B) may establish a pilot program whereby costs in excess of maximum amounts shall be allowed for beds in a nursing home which has a managed care program and is affiliated with a hospital licensed under chapter 368v; and (C) may establish rates whereby allowable costs may exceed such maximum amounts for beds approved on or after July 1, 1991, which are restricted to use by patients with acquired immune deficiency syndrome or traumatic brain injury.

Sec. 86. Section 17b-356 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

Any health care facility or institution, as defined in subsection (a) of section 19a-490, except a nursing home, rest home, residential care home or residential facility for persons with intellectual disability licensed pursuant to section 17a-227 and certified to participate in the Title XIX Medicaid program as an intermediate care facility for individuals with intellectual disabilities, proposing to expand its services by adding nursing home beds shall obtain the approval of the Commissioner of Social Services in accordance with the procedures established pursuant to sections 17b-352, 17b-353 and 17b-354 for a facility, as defined in section 17b-352, prior to obtaining the approval of the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health pursuant to section 19a-639.

Sec. 87. Section 19a-6q of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The Commissioner of Public Health, in consultation with the

[Commissioner of Health Strategy and**]** local and regional health departments, shall, within available resources, develop a plan that is consistent with the Department of Public Health's Healthy Connecticut 2020 health improvement plan and the state healthcare innovation plan developed pursuant to the State Innovation Model Initiative by the Centers for Medicare and Medicaid Services Innovation Center. The Commissioner of Public Health shall develop and implement such plan to: (1) Reduce the incidence of tobacco use, high blood pressure, health care associated infections, asthma, unintended pregnancy and diabetes; (2) improve chronic disease care coordination in the state; and (3) reduce the incidence and effects of chronic disease and improve outcomes for conditions associated with chronic disease in the state. The Commissioner of Public Health shall post such plan on the Department of Public Health's Internet web site.

Sec. 88. Subsection (b) of section 19a-7 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) For the purposes of establishing a state health plan as required by subsection (a) of this section and consistent with state and federal law on patient records, the department is entitled to access hospital discharge data, emergency room and ambulatory surgery encounter data, data on home health care agency client encounters and services, data from community health centers on client encounters and services and all data collected or compiled by the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health pursuant to section 19a-613.

Sec. 89. Subsection (l) of section 19a-7h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(l) The commissioner shall, in consultation with the **[**Office of Health

Strategy**]** Secretary of the Office of Policy and Management, adopt regulations, in accordance with the provisions of chapter 54, to facilitate interoperability between the immunization information system and the State-wide Health Information Exchange established pursuant to section 17b-59d. The commissioner may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulations, provided the department posts such policies and procedures on the eRegulations System prior to adopting them. Policies and procedures implemented pursuant to this section shall be valid until regulations are adopted in accordance with the provisions of chapter 54.

Sec. 90. Subsection (a) of section 19a-75a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) On or before January 1, 2023, the Department of Public Health shall establish and administer a child and adolescent psychiatrist grant program. The program shall provide incentive grants to employers of child and adolescent psychiatrists for recruiting and hiring new child and adolescent psychiatrists and retaining child and adolescent psychiatrists who are in their employ. The Commissioner of Public Health shall establish eligibility requirements, priority categories, funding limitations and the application process for the grant program. Such priority categories shall include, but need not be limited to, nonhospital employers. The commissioner **[**, in consultation with the Office of Health Strategy,**]** shall distribute incentive grant funds equitably with regard to the type of employer and location of such employer.

Sec. 91. Section 19a-127k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) As used in this section:

(1) "Community benefit partners" means federal, state and municipal government entities and private sector entities, including, but not limited to, faith-based organizations, businesses, educational and academic organizations, health care organizations, health departments, philanthropic organizations, organizations specializing in housing justice, planning and land use organizations, public safety organizations, transportation organizations and tribal organizations, that, in partnership with hospitals, play an essential role with respect to the policy, system, program and financing solutions necessary to achieve community benefit program goals;

(2) "Community benefit program" means any voluntary program or activity to promote preventive health care, protect health and safety, improve health equity and reduce health disparities, reduce the cost and economic burden of poor health and improve the health status for all populations within the geographic service areas of a hospital, regardless of whether a member of any such population is a patient of such hospital;

(3) "Community benefit program reporting" means the community health needs assessment, implementation strategy and annual report submitted by a hospital to the Office of **[**Health Strategy**]** the Healthcare Advocate pursuant to the provisions of this section;

(4) "Community health needs assessment" means a written assessment, as described in 26 CFR 1.501(r)-(3);

(5) "Health disparities" means health differences that are closely linked with social or economic disadvantages that adversely affect one or more groups of people who have experienced greater systemic social or economic obstacles to health or a safe environment based on race or ethnicity, religion, socioeconomic status, gender, age, mental health, cognitive, sensory or physical disability, sexual orientation, gender identity, geographic location or other characteristics historically linked

to discrimination or exclusion;

(6) "Health equity" means that every person has a fair and just opportunity to be as healthy as possible, which encompasses removing obstacles to health, such as poverty, racism and the adverse consequences of poverty and racism, including, but not limited to, a lack of equitable opportunities, access to good jobs with fair pay, quality education and housing, safe environments and health care;

(7) "Hospital" means a nonprofit entity licensed as a hospital pursuant to chapter 368v that is required to annually file Internal Revenue Service form 990. "Hospital" includes a for-profit entity licensed as an acute care general hospital;

(8) "Implementation strategy" means a written plan, as described in 26 CFR 1.501(r)-(3), that is adopted by an authorized body of a hospital and documents how such hospital intends to address the needs identified in the community health needs assessment; and

(9) "Meaningful participation" means that (A) residents of a hospital's community, including, but not limited to, residents of such community that experience the greatest health disparities, have an appropriate opportunity to participate in such hospital's planning and decisions, (B) community participation influences a hospital's planning, and (C) participants receive information from a hospital summarizing how their input was or was not used by such hospital.

(b) On and after January 1, 2023, each hospital shall submit community benefit program reporting to the Office of **[**Health Strategy**]** the Healthcare Advocate, or to a designee selected by the **[**Commissioner of Health Strategy**]** Healthcare Advocate, in the form and manner described in subsections (c) to (e), inclusive, of this section.

(c) Each hospital shall submit its community health needs assessment to the Office of **[**Health Strategy**]** the Healthcare Advocate not later than

thirty days after the date on which such assessment is made available to the public pursuant to 26 CFR 1.501(r)-(3)(b), provided the **[**Commissioner of Health Strategy, or the commissioner's**]** Healthcare Advocate, or the Healthcare Advocate's designee, may grant an extension of time to a hospital for the filing of such assessment. Such submission shall contain the following:

(1) Consistent with the requirements set forth in 26 CFR 1.501(r)-(3)(b)(6)(i), and as included in a hospital's federal filing submitted to the Internal Revenue Service:

(A) A definition of the community served by the hospital and a description of how the community was determined;

(B) A description of the process and methods used to conduct the community health needs assessment;

(C) A description of how the hospital solicited and took into account input received from persons who represent the broad interests of the community it serves;

(D) A prioritized description of the significant health needs of the community identified through the community health needs assessment, and a description of the process and criteria used in identifying certain health needs as significant and prioritizing those significant health needs;

(E) A description of the resources potentially available to address the significant health needs identified through the community health needs assessment;

(F) An evaluation of the impact of any actions that were taken, since the hospital finished conducting its immediately preceding community health needs assessment, to address the significant health needs identified in the hospital's prior community health needs assessment;

and

(2) Additional documentation of the following:

(A) The names of the individuals responsible for developing the community health needs assessment;

(B) The demographics of the population within the geographic service area of the hospital and, to the extent feasible, a detailed description of the health disparities, health risks, insurance status, service utilization patterns and health care costs within such geographic service area;

(C) A description of the health status and health disparities affecting the population within the geographic service area of the hospital, including, but not limited to, the health status and health disparities affecting a representative spectrum of age, racial and ethnic groups, incomes and medically underserved populations;

(D) A description of the meaningful participation afforded to community benefit partners and diverse community members in assessing community health needs, priorities and target populations;

(E) A description of the barriers to achieving or maintaining health and to accessing health care, including, but not limited to, social, economic and environmental barriers, lack of access to or availability of sources of health care coverage and services and a lack of access to and availability of prevention and health promotion services and support;

(F) Recommendations regarding the role that the state and other community benefit partners could play in removing the barriers described in subparagraph (E) of this subdivision and enabling effective solutions; and

(G) Any additional information, data or disclosures that the hospital

voluntarily chooses to include as may be relevant to its community benefit program.

(d) Each hospital shall submit its implementation strategy to the Office of **[**Health Strategy**]** the Healthcare Advocate not later than thirty days after the date on which such implementation strategy is adopted pursuant to 26 CFR 1.501(r)-(3)(c), provided the **[**Commissioner of Health Strategy, or the commissioner's**]** Healthcare Advocate, or the Healthcare Advocate's designee, may grant an extension to a hospital for the filing of such implementation strategy. Such submission shall contain the following:

(1) Consistent with the requirements set forth in 26 CFR 1.501(r)-(3)(b)(6)(i), and as included in a hospital's federal filing submitted to the Internal Revenue Service:

(A) With respect to each significant health need identified through the community health needs assessment, either (i) a description of how the hospital plans to address the health need, or (ii) identification of the health need as one which the hospital does not intend to address;

(B) For significant health needs described in subparagraph (A)(i) of this subdivision, (i) a description of the actions that the hospital intends to take to address the health need and the anticipated impact of such actions, (ii) identification of the resources that the hospital plans to commit to address the health need, and (iii) a description of any planned collaboration between the hospital and other facilities or organizations to address the health need;

(C) For significant health needs identified in subparagraph (A)(ii) of this subdivision, an explanation of why the hospital does not intend to address such health need; and

(2) Additional documentation of the following:

(A) The names of the individuals responsible for developing the implementation strategy;

(B) A description of the meaningful participation afforded to community benefit partners and diverse community members;

(C) A description of the community health needs and health disparities that were prioritized in developing the implementation strategy with consideration given to the most recent version of the state health plan prepared by the Department of Public Health pursuant to section 19a-7;

(D) Reference-citing evidence, if available, that shows how the implementation strategy is intended to address the corresponding health need or reduction in health disparity;

(E) A description of the planned methods for the ongoing evaluation of proposed actions and corresponding process or outcome measures intended for use in assessing progress or impact;

(F) A description of how the hospital solicited commentary on the implementation strategy from the communities within such hospital's geographic service area and revisions to such strategy based on such commentary; and

(G) Any other information that the hospital voluntarily chooses to include as may be relevant to its implementation strategy, including, but not limited to, data, disclosures, expected or planned resource outlay, investments or commitments, including, but not limited to, staff, financial or in-kind commitments.

(e) On or before October 1, 2023, and annually thereafter, each hospital shall submit to the Office of **[**Health Strategy**]** the Healthcare Advocate a status report on such hospital's community benefit program, provided the **[**Commissioner of Health Strategy, or the commissioner's**]**

Healthcare Advocate, or the Healthcare Advocate's designee, may grant an extension to a hospital for the filing of such report. Such report shall include the following:

(1) A description of major updates regarding community health needs, priorities and target populations, if any;

(2) A description of progress made regarding the hospital's actions in support of its implementation strategy;

(3) A description of any major changes to the proposed implementation strategy and associated hospital actions; and

(4) A description of financial resources and other resources allocated or expended that supported the actions taken in support of the hospital's implementation strategy.

(f) Notwithstanding the provisions of section 19a-755a, and to the full extent permitted by 45 CFR 164.514(e), the Office of **[**Health Strategy**]** Policy and Management shall make data in the all-payer claims database available to hospitals for use in their community benefit programs and activities solely for the purposes of (1) preparing the hospital's community health needs assessment, (2) preparing and executing the hospital's implementation strategy, and (3) fulfilling community benefit program reporting, as described in subsections (c) to (e), inclusive, of this section. Any disclosure made by said office pursuant to this subsection of information other than health information shall be made in a manner to protect the confidentiality of such information as may be required by state or federal law.

(g) A hospital shall not be responsible for limitations in its ability to fulfill community benefit program reporting requirements, as described in subsections (c) to (e), inclusive, of this section, if the all-payer claims database data is not provided to such hospital, as required by subsection (f) of this section.

(h) **[**On or before April 1, 2024, and annually thereafter, the Commissioner of Health Strategy**]** Not later than April first, annually, the Healthcare Advocate shall develop a summary and analysis of the community benefit program reporting submitted by hospitals under this section during the previous calendar year and post such summary and analysis on its Internet web site and solicit stakeholder input through a public comment period. The Office of **[**Health Strategy**]** the Healthcare Advocate shall use such reporting and stakeholder input to:

(1) Identify additional stakeholders that may be engaged to address identified community health needs, including, but not limited to, federal, state and municipal entities, nonhospital private sector health care providers and private sector entities that are not health care providers, including community-based organizations, insurers and charitable organizations;

(2) Determine how each identified stakeholder could assist in addressing identified community health needs or augmenting solutions or approaches reported in the implementation strategies;

(3) Determine whether to make recommendations to the Department of Public Health in the development of its state health plan; and

(4) Inform the state-wide health care facilities and services plan established pursuant to section 19a-634.

(i) Each for-profit entity licensed as an acute care general hospital shall submit community benefit program reporting consistent with the reporting schedules of subsections (c) to (e), inclusive, of this section, and reasonably similar to what would be included on such hospital's federal filings to the Internal Revenue Service, where applicable.

Sec. 92. Section 19a-486 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

For purposes of sections 19a-486 to 19a-486h, inclusive:

(1) "Nonprofit hospital" means a nonprofit entity licensed as a hospital pursuant to this chapter and any entity affiliated with such a hospital through governance or membership, including, but not limited to, a holding company or subsidiary.

(2) "Purchaser" means a person acquiring any assets of a nonprofit hospital through a transfer.

(3) "Person" means any individual, firm, partnership, corporation, limited liability company, association or other entity.

(4) "Transfer" means to sell, transfer, lease, exchange, option, convey, give or otherwise dispose of or transfer control over, including, but not limited to, transfer by way of merger or joint venture not in the ordinary course of business.

(5) "Control" has the meaning assigned to it in section 36b-41.

(6) "Commissioner" means the Commissioner of **[**Health Strategy**]** Public Health, or the commissioner's designee.

Sec. 93. Section 19a-486g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The Commissioner of Public Health shall refuse to issue a license to, or if issued shall suspend or revoke the license of, a hospital if the commissioner finds, after a hearing and opportunity to be heard, that:

(1) There was a transaction described in section 19a-486a that occurred without the commissioner's approval**,** **[**of the Commissioner of Health Strategy,**]** if such approval was required by sections 19a-486 to 19a-486h, inclusive;

(2) There was a transaction described in section 19a-486a without the

approval of the Attorney General, if such approval was required by sections 19a-486 to 19a-486h, inclusive, and the Attorney General certifies to the **[**Commissioner of Health Strategy**]** commissioner that such transaction involved a material amount of the nonprofit hospital's assets or operations or a change in control of operations; or

(3) The hospital is not complying with the terms of an agreement approved by the Attorney General and **[**Commissioner of Health Strategy**]** commissioner pursuant to sections 19a-486 to 19a-486h, inclusive.

Sec. 94. Section 19a-486h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

Nothing in sections 19a-486 to 19a-486h, inclusive, shall be construed to limit: (1) The common law or statutory authority of the Attorney General; (2) the statutory authority of the Commissioner of Public Health including, but not limited to, licensing **[**; (3) the statutory authority of the Commissioner of Health Strategy, including, but not limited to, certificate of need authority; or (4)**]** and certificate of need authority; or (3) the application of the doctrine of cy pres or approximation.

Sec. 95. Subsections (d) to (i), inclusive, of section 19a-486i of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(d) (1) The written notice required under subsection (c) of this section shall identify each party to the transaction and describe the material change as of the date of such notice to the business or corporate structure of the group practice, including: (A) A description of the nature of the proposed relationship among the parties to the proposed transaction; (B) the names and specialties of each physician that is a member of the group practice that is the subject of the proposed transaction and who

will practice medicine with the resulting group practice, hospital, hospital system, captive professional entity, medical foundation or other entity organized by, controlled by, or otherwise affiliated with such hospital or hospital system following the effective date of the transaction; (C) the names of the business entities that are to provide services following the effective date of the transaction; (D) the address for each location where such services are to be provided; (E) a description of the services to be provided at each such location; and (F) the primary service area to be served by each such location.

(2) Not later than thirty days after the effective date of any transaction described in subsection (c) of this section, the parties to the transaction shall submit written notice to the Commissioner of **[**Health Strategy**]** Public Health. Such written notice shall include, but need not be limited to, the same information described in subdivision (1) of this subsection. The commissioner shall post a link to such notice on the **[**Office of Health Strategy's**]** Department of Public Health's Internet web site.

(e) Not less than thirty days prior to the effective date of any transaction that results in an affiliation between one hospital or hospital system and another hospital or hospital system, the parties to the affiliation shall submit written notice to the Attorney General of such affiliation. Such written notice shall identify each party to the affiliation and describe the affiliation as of the date of such notice, including: (1) A description of the nature of the proposed relationship among the parties to the affiliation; (2) the names of the business entities that are to provide services following the effective date of the affiliation; (3) the address for each location where such services are to be provided; (4) a description of the services to be provided at each such location; and (5) the primary service area to be served by each such location.

(f) Written information submitted to the Attorney General pursuant to subsections (b) to (e), inclusive, of this section shall be maintained and used by the Attorney General in the same manner as provided in section

35-42.

(g) Not later than January **[**15, 2018, and**]** fifteenth annually, **[**thereafter,**]** each hospital and hospital system shall file with the Attorney General and the Commissioner of **[**Health Strategy**]** Public Health a written report describing the activities of the group practices owned or affiliated with such hospital or hospital system. Such report shall include, for each such group practice: (1) A description of the nature of the relationship between the hospital or hospital system and the group practice; (2) the names and specialties of each physician practicing medicine with the group practice; (3) the names of the business entities that provide services as part of the group practice and the address for each location where such services are provided; (4) a description of the services provided at each such location; and (5) the primary service area served by each such location.

(h) Not later than January **[**15, 2018, and**]** fifteenth annually, **[**thereafter,**]** each group practice comprised of thirty or more physicians that is not the subject of a report filed under subsection (g) of this section shall file with the Attorney General and the Commissioner of **[**Health Strategy**]** Public Health a written report concerning the group practice. Such report shall include, for each such group practice: (1) The names and specialties of each physician practicing medicine with the group practice; (2) the names of the business entities that provide services as part of the group practice and the address for each location where such services are provided; (3) a description of the services provided at each such location; and (4) the primary service area served by each such location.

(i) Not later than January **[**15, 2018, and**]** fifteenth annually, **[**thereafter,**]** each hospital and hospital system shall file with the Attorney General and the Commissioner of **[**Health Strategy**]** Public Health a written report describing each affiliation with another hospital or hospital system. Such report shall include: (1) The name and address

of each party to the affiliation; (2) a description of the nature of the relationship among the parties to the affiliation; (3) the names of the business entities that provide services as part of the affiliation and the address for each location where such services are provided; (4) a description of the services provided at each such location; and (5) the primary service area served by each such location.

Sec. 96. Section 19a-486j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) On or before October 31, **[**2024**]** 2026, and semiannually thereafter, each hospital, as defined in section 12-263p, shall submit a semiannual report to the Commissioner of **[**Health Strategy**]** Social Services that identifies, for each of the two prior calendar quarters, (1) the number of days of cash on hand, or days cash and cash equivalents otherwise available to the hospital, and (2) the dollar amount of (A) invoices that are at least ninety days past due in the reporting period, (B) utility bills that are at least ninety days past due in the reporting period, (C) fees, taxes or assessments owed to public entities that are at least ninety days past due in the reporting period, and (D) unpaid employee health insurance premiums, including unpaid contributions, claims or other obligations supporting employees under a self-funded insurance plan or fully insured plan, that are at least ninety days past due in the reporting period. The commissioner shall develop a uniform template, including, but not limited to, definitions of terms used in such template, to be used by hospitals for the purposes of complying with the provisions of this subsection and post such template on the **[**Office of Health Strategy's**]** Department of Social Services' Internet web site. A hospital may request an extension of time to comply with the requirements of this subsection in a form and manner prescribed by the commissioner. The commissioner may grant such request for good cause, as determined by the commissioner. Such template shall be based on generally accepted accounting principles as prescribed by the

Financial Accounting Standards Board.

(b) If a hospital submits a report pursuant to the provisions of subsection (a) of this section reflecting two consecutive quarters of sixty days or less of days of cash on hand, or days cash and cash equivalents otherwise available to the hospital, the commissioner may require the hospital to provide the **[**Office of Health Strategy**]** Department of Social Services with additional information that the commissioner deems relevant to understanding the financial health of the hospital.

(c) If a hospital submits a report pursuant to the provisions of subsection (a) of this section reflecting two consecutive quarters of forty-five days or less of cash on hand, or days cash and cash equivalents otherwise available to the hospital, the **[**Office of Health Strategy**]** Department of Social Services shall contact the hospital to offer assistance.

(d) If a hospital has multiple consecutive quarters of one hundred or more days of cash on hand, or days cash and cash equivalents otherwise available to the hospital, the commissioner may waive one of the hospital's two semiannual reports required pursuant to the provisions of subsection (a) of this section.

Sec. 97. Subsection (b) of section 19a-490ii of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) Not later than March **[**1, 2025, and**]** first annually, **[**thereafter**]** until March 1, 2029, each hospital that conducts an analysis pursuant to subsection (a) of this section shall submit a report, in accordance with the provisions of section 11-4a, to the joint standing committee of the General Assembly having cognizance of matters relating to public health and, not later than March **[**1, 2026, and**]** first annually **[**thereafter**]** until March 1, 2029, shall also submit such report to the

[Commissioners**]** Commissioner of Public Health **[**and Health Strategy**]** and the Healthcare Advocate, regarding its findings and any recommendations for achieving the goals described in subparagraphs (A) to (C), inclusive, of subdivision (4) of subsection (a) of this section.

Sec. 98. Subsections (b) and (c) of section 19a-493b of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) No entity, individual, firm, partnership, corporation, limited liability company or association, other than a hospital, shall individually or jointly establish or operate an outpatient surgical facility in this state without complying with chapter 368z, except as otherwise provided by this section, and obtaining a license within the time specified in this subsection from the Department of Public Health for such facility pursuant to the provisions of this chapter, unless such entity, individual, firm, partnership, corporation, limited liability company or association: (1) Provides to the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health satisfactory evidence that it was in operation on or before July 1, 2003, or (2) obtained, on or before July 1, 2003, from the Office of Health Care Access, a determination that a certificate of need is not required. An entity, individual, firm, partnership, corporation, limited liability company or association otherwise in compliance with this section may operate an outpatient surgical facility without a license through March 30, 2007, and shall have until March 30, 2007, to obtain a license from the Department of Public Health.

(c) Notwithstanding the provisions of this section, no outpatient surgical facility shall be required to comply with section 19a-631, 19a-632, 19a-644, 19a-645, 19a-646, 19a-649, 19a-664 to 19a-666, inclusive, 19a-673 to 19a-676, inclusive, 19a-678, 19a-681 or 19a-683. Each outpatient surgical facility shall continue to be subject to the obligations and requirements applicable to such facility, including, but not limited

to, any applicable provision of this chapter and those provisions of chapter 368z not specified in this subsection, except that a request for permission to undertake a transfer or change of ownership or control shall not be required pursuant to subsection (a) of section 19a-638 if the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health determines that the following conditions are satisfied: (1) Prior to any such transfer or change of ownership or control, the outpatient surgical facility shall be owned and controlled exclusively by persons licensed pursuant to section 20-13 or chapter 375, either directly or through a limited liability company, formed pursuant to chapter 613, a corporation, formed pursuant to chapters 601 and 602, or a limited liability partnership, formed pursuant to chapter 614, that is exclusively owned by persons licensed pursuant to section 20-13 or chapter 375, or is under the interim control of an estate executor or conservator pending transfer of an ownership interest or control to a person licensed under section 20-13 or chapter 375, and (2) after any such transfer or change of ownership or control, persons licensed pursuant to section 20-13 or chapter 375, a limited liability company, formed pursuant to chapter 613, a corporation, formed pursuant to chapters 601 and 602, or a limited liability partnership, formed pursuant to chapter 614, that is exclusively owned by persons licensed pursuant to section 20-13 or chapter 375, shall own and control no less than a sixty per cent interest in the outpatient surgical facility.

Sec. 99. Subsection (a) of section 19a-507 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) Notwithstanding the provisions of chapter 368z, New Horizons, Inc., a nonprofit, nonsectarian organization, or a subsidiary organization controlled by New Horizons, Inc., is authorized to construct and operate an independent living facility for severely physically disabled adults, in the town of Farmington, provided such

facility shall be constructed in accordance with applicable building codes. The Farmington Housing Authority, or any issuer acting on behalf of said authority, subject to the provisions of this section, may issue tax-exempt revenue bonds on a competitive or negotiated basis for the purpose of providing construction and permanent mortgage financing for the facility in accordance with Section 103 of the Internal Revenue Code. Prior to the issuance of such bonds, plans for the construction of the facility shall be submitted to and approved by the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health. The unit shall approve or disapprove such plans within thirty days of receipt thereof. If the plans are disapproved they may be resubmitted. Failure of the unit to act on the plans within such thirty-day period shall be deemed approval thereof. The payments to residents of the facility who are eligible for assistance under the state supplement program for room and board and necessary services, shall be determined annually to be effective July first of each year. Such payments shall be determined on a basis of a reasonable payment for necessary services, which basis shall take into account as a factor the costs of providing those services and such other factors as the commissioner deems reasonable, including anticipated fluctuations in the cost of providing services. Such payments shall be calculated in accordance with the manner in which rates are calculated pursuant to subsection (i) of section 17b-340 and the cost-related reimbursement system pursuant to said section except that efficiency incentives shall not be granted. The commissioner may adjust such rates to account for the availability of personal care services for residents under the Medicaid program. The commissioner shall, upon submission of a request, allow actual debt service, comprised of principal and interest, in excess of property costs allowed pursuant to section 17-313b-5 of the regulations of Connecticut state agencies, provided such debt service terms and amounts are reasonable in relation to the useful life and the base value of the property. The cost basis for such payment shall be subject to audit, and a recomputation of the rate shall be made based

upon such audit. The facility shall report on a fiscal year ending on the thirtieth day of September on forms provided by the commissioner. The required report shall be received by the commissioner no later than December thirty-first of each year. The Department of Social Services may use its existing utilization review procedures to monitor utilization of the facility. If the facility is aggrieved by any decision of the commissioner, the facility may, within ten days, after written notice thereof from the commissioner, obtain by written request to the commissioner, a hearing on all items of aggrievement. If the facility is aggrieved by the decision of the commissioner after such hearing, the facility may appeal to the Superior Court in accordance with the provisions of section 4-183.

Sec. 100. Subsections (d) to (m), inclusive, of section 19a-508c of the 2026 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(d) Each initial billing statement that includes a facility fee shall: (1) Clearly identify the fee as a facility fee that is billed in addition to, or separately from, any professional fee billed by the provider; (2) provide the corresponding Medicare facility fee reimbursement rate for the same service as a comparison or, if there is no corresponding Medicare facility fee for such service, (A) the approximate amount Medicare would have paid the hospital for the facility fee on the billing statement, or (B) the percentage of the hospital's charges that Medicare would have paid the hospital for the facility fee; (3) include a statement that the facility fee is intended to cover the hospital's or health system's operational expenses; (4) inform the patient that the patient's financial liability may have been less if the services had been provided at a facility not owned or operated by the hospital or health system; and (5) include written notice of the patient's right to request a reduction in the facility fee or any other portion of the bill and a telephone number that the patient may use to request such a reduction without regard to whether such patient

qualifies for, or is likely to be granted, any reduction. Not later than October 15, 2022, and annually thereafter, each hospital, health system and hospital-based facility shall submit to the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health, established pursuant to section 19a-612, a sample of a billing statement issued by such hospital, health system or hospital-based facility that complies with the provisions of this subsection and **[**which**]** represents the format of billing statements received by patients. Such billing statement shall not contain patient identifying information.

(e) The written notice described in subsections (b) to (d), inclusive, and (h) to (j), inclusive, of this section shall be in plain language and in a form that may be reasonably understood by a patient who does not possess special knowledge regarding hospital or health system facility fee charges. On and after October 1, 2022, such notices shall include tag lines in at least the top fifteen languages spoken in the state indicating that the notice is available in each of those top fifteen languages. The fifteen languages shall be either the languages in the list published by the Department of Health and Human Services in connection with section 1557 of the Patient Protection and Affordable Care Act, P.L. 111-148, or, as determined by the hospital or health system, the top fifteen languages in the geographic area of the hospital-based facility.

(f) (1) For nonemergency care, if a patient's appointment is scheduled to occur ten or more days after the appointment is made, such written notice shall be sent to the patient by first class mail, encrypted electronic mail or a secure patient Internet portal not less than three days after the appointment is made. If an appointment is scheduled to occur less than ten days after the appointment is made or if the patient arrives without an appointment, such notice shall be hand-delivered to the patient when the patient arrives at the hospital-based facility.

(2) For emergency care, such written notice shall be provided to the patient as soon as practicable after the patient is stabilized in accordance

with the federal Emergency Medical Treatment and Active Labor Act, 42 USC 1395dd, as amended from time to time, or is determined not to have an emergency medical condition and before the patient leaves the hospital-based facility. If the patient is unconscious, under great duress or for any other reason unable to read the notice and understand and act on his or her rights, the notice shall be provided to the patient's representative as soon as practicable.

(g) Subsections (b) to (f), inclusive, and (l) of this section shall not apply if a patient is insured by Medicare or Medicaid or is receiving services under a workers' compensation plan established to provide medical services pursuant to chapter 568.

(h) A hospital-based facility shall prominently display written notice in locations that are readily accessible to and visible by patients, including patient waiting or appointment check-in areas, stating: (1) That the hospital-based facility is part of a hospital or health system, (2) the name of the hospital or health system, and (3) that if the hospital-based facility charges a facility fee, the patient may incur a financial liability greater than the patient would incur if the hospital-based facility was not hospital-based. On and after October 1, 2022, such notices shall include tag lines in at least the top fifteen languages spoken in the state indicating that the notice is available in each of those top fifteen languages. The fifteen languages shall be either the languages in the list published by the Department of Health and Human Services in connection with section 1557 of the Patient Protection and Affordable Care Act, P.L. 111-148, or, as determined by the hospital or health system, the top fifteen languages in the geographic area of the hospital-based facility. Not later than October 1, 2022, and annually thereafter, each hospital-based facility shall submit a copy of the written notice required by this subsection to the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health.

(i) A hospital-based facility shall clearly hold itself out to the public

and payers as being hospital-based, including, at a minimum, by stating the name of the hospital or health system in its signage, marketing materials, Internet web sites and stationery.

(j) A hospital-based facility shall, when scheduling services for which a facility fee may be charged, inform the patient (1) that the hospital-based facility is part of a hospital or health system, (2) of the name of the hospital or health system, (3) that the hospital or health system may charge a facility fee in addition to and separate from the professional fee charged by the provider, and (4) of the telephone number the patient may call for additional information regarding such patient's potential financial liability.

(k) (1) If any transaction described in subsection (c) of section 19a-486i results in the establishment of a hospital-based facility at which facility fees may be billed, the hospital or health system, that is the purchaser in such transaction shall, not later than thirty days after such transaction, provide written notice, by first class mail, of the transaction to each patient served within the three years preceding the date of the transaction by the health care facility that has been purchased as part of such transaction.

(2) Such notice shall include the following information:

(A) A statement that the health care facility is now a hospital-based facility and is part of a hospital or health system, the health care facility's full legal and business name and the date of such facility's acquisition by a hospital or health system;

(B) The name, business address and phone number of the hospital or health system that is the purchaser of the health care facility;

(C) A statement that the hospital-based facility bills, or is likely to bill, patients a facility fee that may be in addition to, and separate from, any professional fee billed by a health care provider at the hospital-based

facility;

(D) (i) A statement that the patient's actual financial liability will depend on the professional medical services actually provided to the patient, and (ii) an explanation that the patient may incur financial liability that is greater than the patient would incur if the hospital-based facility were not a hospital-based facility;

(E) The estimated amount or range of amounts the hospital-based facility may bill for a facility fee or an example of the average facility fee billed at such hospital-based facility for the most common services provided at such hospital-based facility; and

(F) A statement that, prior to seeking services at such hospital-based facility, a patient covered by a health insurance policy should contact the patient's health insurer for additional information regarding the hospital-based facility fees, including the patient's potential financial liability, if any, for such fees.

(3) A copy of the written notice provided to patients in accordance with this subsection shall be filed with the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health, established under section 19a-612. Said unit shall post a link to such notice on its Internet web site.

(4) A hospital, health system or hospital-based facility shall not collect a facility fee for services provided at a hospital-based facility that is subject to the provisions of this subsection from the date of the transaction until at least thirty days after the written notice required pursuant to this subsection is mailed to the patient or a copy of such notice is filed with the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health, whichever is later. A violation of this subsection shall be considered an unfair trade practice pursuant to section 42-110b.

(5) Not later than July **[**1, 2023, and**]** first annually**,** **[**thereafter,**]** each hospital-based facility that was the subject of a transaction, as described in subsection (c) of section 19a-486i, during the preceding calendar year shall report to the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health the number of patients served by such hospital-based facility in the preceding three years.

(l) (1) Notwithstanding the provisions of this section, no hospital, health system or hospital-based facility shall collect a facility fee for (A) outpatient health care services that use a current procedural terminology evaluation and management (CPT E/M) code or assessment and management (CPT A/M) code and are provided at a hospital-based facility located off-site from a hospital campus, or (B) outpatient health care services provided at a hospital-based facility located off-site from a hospital campus received by a patient who is uninsured of more than the Medicare rate.

(2) Notwithstanding the provisions of this section, on and after July 1, 2024, no hospital or health system shall collect a facility fee for outpatient health care services that use a current procedural terminology evaluation and management (CPT E/M) code or assessment and management (CPT A/M) code and are provided on the hospital campus. The provisions of this subdivision shall not apply to (A) an emergency department located on a hospital campus, or (B) observation stays on a hospital campus and (CPT E/M) and (CPT A/M) codes when billed for the following services: (i) Wound care, (ii) orthopedics, (iii) anticoagulation, (iv) oncology, (v) obstetrics, and (vi) solid organ transplant.

(3) Notwithstanding the provisions of subdivisions (1) and (2) of this subsection, in circumstances when an insurance contract that is in effect on July 1, 2016, provides reimbursement for facility fees prohibited under the provisions of subdivision (1) of this subsection, and in circumstances when an insurance contract that is in effect on July 1,

2024, provides reimbursement for facility fees prohibited under the provisions of subdivision (2) of this subsection, a hospital or health system may continue to collect reimbursement from the health insurer for such facility fees until the applicable date of expiration, renewal or amendment of such contract, whichever such date is the earliest.

(4) The provisions of this subsection shall not apply to a freestanding emergency department. As used in this subdivision, "freestanding emergency department" means a freestanding facility that (A) is structurally separate and distinct from a hospital, (B) provides emergency care, (C) is a department of a hospital licensed under chapter 368v, and (D) has been issued a certificate of need to operate as a freestanding emergency department pursuant to chapter 368z.

(5) (A) On and after July 1, 2024, if the Commissioner of **[**Health Strategy**]** Public Health receives information and has a reasonable belief, after evaluating such information, that any hospital, health system or hospital-based facility charged facility fees, other than through isolated clerical or electronic billing errors, in violation of any provision of this section, or rule or regulation adopted thereunder, such hospital, health system or hospital-based facility shall be subject to a civil penalty of up to one thousand dollars. The commissioner may issue a notice of violation and civil penalty by first class mail or personal service. Such notice shall include: (i) A reference to the section of the general statutes, rule or section of the regulations of Connecticut state agencies believed or alleged to have been violated; (ii) a short and plain language statement of the matters asserted or charged; (iii) a description of the activity to cease; (iv) a statement of the amount of the civil penalty or penalties that may be imposed; (v) a statement concerning the right to a hearing; and (vi) a statement that such hospital, health system or hospital-based facility may, not later than ten business days after receipt of such notice, make a request for a hearing on the matters asserted.

(B) The hospital, health system or hospital-based facility to whom

such notice is provided pursuant to subparagraph (A) of this subdivision may, not later than ten business days after receipt of such notice, make written application to the **[**Office of Health Strategy**]** Department of Public Health to request a hearing to demonstrate that such violation did not occur. The failure to make a timely request for a hearing shall result in the issuance of a cease and desist order or civil penalty. All hearings held under this subsection shall be conducted in accordance with the provisions of chapter 54.

(C) Following any hearing before the **[**Office of Health Strategy**]** Department of Public Health pursuant to this subdivision, if said **[**office**]** department finds, by a preponderance of the evidence, that such hospital, health system or hospital-based facility violated or is violating any provision of this subsection, any rule or regulation adopted thereunder or any order issued by said **[**office**]** department, said **[**office**]** department shall issue a final cease and desist order in addition to any civil penalty said **[**office**]** department imposes.

(6) A violation of this subsection shall be considered an unfair trade practice pursuant to section 42-110b.

(m) (1) Each hospital and health system shall report not later than October 1, 2023, and thereafter not later than July 1, 2024, and annually thereafter, to the Commissioner of **[**Health Strategy**]** Public Health, on a form prescribed by the commissioner, concerning facility fees charged or billed during the preceding calendar year. Such report shall include, but need not be limited to, (A) the name and address of each facility owned or operated by the hospital or health system that provides services for which a facility fee is charged or billed, and an indication as to whether each facility is located on or outside of the hospital or health system campus, (B) the number of patient visits at each such facility for which a facility fee was charged or billed, (C) the number, total amount and range of allowable facility fees paid at each such facility disaggregated by payer mix, (D) for each facility, the total amount of

facility fees charged and the total amount of revenue received by the hospital or health system derived from facility fees, (E) the total amount of facility fees charged and the total amount of revenue received by the hospital or health system from all facilities derived from facility fees, (F) a description of the ten procedures or services that generated the greatest amount of facility fee gross revenue, disaggregated by current procedural terminology (CPT) category code for each such procedure or service and, for each such procedure or service, patient volume and the total amount of gross and net revenue received by the hospital or health system derived from facility fees, disaggregated by on-campus and off-campus, and (G) the top ten procedures or services for which facility fees are charged based on patient volume and the gross and net revenue received by the hospital or health system for each such procedure or service, disaggregated by on-campus and off-campus. For purposes of this subsection, "facility" means a hospital-based facility that is located on a hospital campus or outside a hospital campus.

(2) The commissioner shall publish the information reported pursuant to subdivision (1) of this subsection, or post a link to such information, on the Internet web site of the **[**Office of Health Strategy**]** Department of Public Health.

Sec. 101. Subsection (c) of section 19a-509b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(c) Each hospital that holds or administers one or more hospital bed funds shall make available in a place and manner allowing individual members of the public to easily obtain it, a one-page summary in English and Spanish describing hospital bed funds and how to apply for them. The summary shall also describe any other policies regarding the provision of charity care and reduced cost services for the indigent as reported by the hospital to the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health pursuant to

section 19a-649 and shall clearly distinguish hospital bed funds from other sources of financial assistance. The summary shall include notification that the patient is entitled to reapply upon rejection, and that additional funds may become available on an annual basis. The summary shall be available in the patient admissions office, emergency room, social services department and patient accounts or billing office, and from any collection agent. If during the admission process or during its review of the financial resources of the patient, the hospital reasonably believes the patient will have limited funds to pay for any portion of the patient's hospitalization not covered by insurance, the hospital shall provide the summary to each such patient.

Sec. 102. Section 19a-612 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

[(a)**]** There is established, within the **[**Office of Health Strategy, established under section 19a-754a**]** Department of Public Health, a unit to be known as the Health Systems Planning Unit **[**. The unit, under**]** that shall be under the direction of the Commissioner of **[**Health Strategy, shall constitute a successor to the former Office of Health Care Access, in accordance with the provisions of sections 4-38d and 4-39**]** Public Health.

[(b) Any order, decision, agreed settlement or regulation of the former Office of Health Care Access which is in force on July 1, 2018, shall continue in force and effect as an order or regulation of the Office of Health Strategy until amended, repealed or superseded pursuant to law.

(c) If the words "Office of Health Care Access" are used or referred to in any public or special act of 2009 or in any section of the general statutes which is amended in 2009, such words shall be deemed to mean or refer to the Office of Health Care Access division within the Department of Public Health. If the words "Office of Health Care

Access" are used or referred to in any public or special act of 2018 or in any section of the general statutes which is amended in 2018, such words shall be deemed to mean or refer to the Health Systems Planning Unit within the Office of Health Strategy.**]**

Sec. 103. Section 19a-612d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

[(a)**]** The Commissioner of **[**Health Strategy**]** Public Health shall oversee the Health Systems Planning Unit and shall exercise independent decision-making authority over all certificate of need decisions.

[(b) Notwithstanding the provisions of subsection (a) of this section, the Deputy Commissioner of Public Health shall retain independent decision-making authority over only the certificate of need applications that are pending before the Office of Health Care Access and have been deemed completed by said office on or before May 14, 2018. Following the issuance by the Deputy Commissioner of Public Health of a final decision on any such certificate of need application, the Commissioner of Health Strategy shall exercise independent authority on any further action required on such certificate of need application or the certificate of need issued pursuant to such application.**]**

Sec. 104. Subsection (c) of section 19a-613 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(c) The Commissioner of **[**Health Strategy**]** Public Health, or any person the commissioner designates, may conduct a hearing and render a final decision in any case when a hearing is required or authorized under the provisions of any statute dealing with the Health Systems Planning Unit.

Sec. 105. Section 19a-614 of the general statutes is repealed and the

following is substituted in lieu thereof (*Effective July 1, 2026*):

The Commissioner of **[**Health Strategy**]** Public Health may employ and pay professional and support staff subject to the provisions of chapter 67 and contract with and engage consultants and other independent professionals as may be necessary or desirable to carry out the functions of the Health Systems Planning Unit.

Sec. 106. Section 19a-630 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

As used in this chapter, unless the context otherwise requires:

(1) "Affiliate" means a person, entity or organization controlling, controlled by or under common control with another person, entity or organization. Affiliate does not include a medical foundation organized under chapter 594b.

(2) "Applicant" means any person or health care facility that applies for a certificate of need pursuant to section 19a-639a.

(3) "Bed capacity" means the total number of inpatient beds in a facility licensed by the Department of Public Health under sections 19a-490 to 19a-503, inclusive.

(4) "Capital expenditure" means an expenditure that under generally accepted accounting principles consistently applied is not properly chargeable as an expense of operation or maintenance and includes acquisition by purchase, transfer, lease or comparable arrangement, or through donation, if the expenditure would have been considered a capital expenditure had the acquisition been by purchase.

(5) "Certificate of need" means a certificate issued by the unit.

(6) "Days" means calendar days.

(7) "Commissioner" means the Commissioner of **[**Health Strategy**]** Public Health.

(8) "Free clinic" means a private, nonprofit community-based organization that provides medical, dental, pharmaceutical or mental health services at reduced cost or no cost to low-income, uninsured and underinsured individuals.

(9) "Large group practice" means eight or more full-time equivalent physicians, legally organized in a partnership, professional corporation, limited liability company formed to render professional services, medical foundation, not-for-profit corporation, faculty practice plan or other similar entity (A) in which each physician who is a member of the group provides substantially the full range of services that the physician routinely provides, including, but not limited to, medical care, consultation, diagnosis or treatment, through the joint use of shared office space, facilities, equipment or personnel; (B) for which substantially all of the services of the physicians who are members of the group are provided through the group and are billed in the name of the group practice and amounts so received are treated as receipts of the group; or (C) in which the overhead expenses of, and the income from, the group are distributed in accordance with methods previously determined by members of the group. An entity that otherwise meets the definition of group practice under this section shall be considered a group practice although its shareholders, partners or owners of the group practice include single-physician professional corporations, limited liability companies formed to render professional services or other entities in which beneficial owners are individual physicians.

(10) "Health care facility" means (A) hospitals licensed by the Department of Public Health under chapter 368v; (B) specialty hospitals; (C) freestanding emergency departments; (D) outpatient surgical facilities, as defined in section 19a-493b and licensed under chapter 368v; (E) a hospital or other facility or institution operated by the state

that provides services that are eligible for reimbursement under Title XVIII or XIX of the federal Social Security Act, 42 USC 301, as amended; (F) a central service facility; (G) mental health facilities; (H) substance abuse treatment facilities; and (I) any other facility requiring certificate of need review pursuant to subsection (a) of section 19a-638. "Health care facility" includes any parent company, subsidiary, affiliate or joint venture, or any combination thereof, of any such facility.

(11) "Nonhospital based" means located at a site other than the main campus of the hospital.

(12) **[**"Office" means the Office of Health Strategy**]** <u>"Department" means the Department of Public Health</u>.

(13) "Person" means any individual, partnership, corporation, limited liability company, association, governmental subdivision, agency or public or private organization of any character, but does not include the agency conducting the proceeding.

(14) "Physician" has the same meaning as provided in section 20-13a.

(15) "Termination of services" means the cessation of any services for a combined total of greater than one hundred eighty days within any consecutive two-year period.

(16) "Transfer of ownership" means a transfer that impacts or changes the governance or controlling body of a health care facility, institution or large group practice, including, but not limited to, all affiliations, mergers or any sale or transfer of net assets of a health care facility.

(17) "Unit" means the Health Systems Planning Unit.

Sec. 107. Subsection (b) of section 19a-631 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) Each hospital shall annually pay to the Commissioner of **[**Health Strategy**]** Public Health, for deposit in the General Fund, an amount equal to its share of the actual expenditures made by the unit during each fiscal year including the cost of fringe benefits for unit personnel as estimated by the Comptroller, the amount of expenses for central state services attributable to the unit for the fiscal year as estimated by the Comptroller, plus the expenditures made on behalf of the unit from the Capital Equipment Purchase Fund pursuant to section 4a-9 for such year. Payments shall be made by assessment of all hospitals of the costs calculated and collected in accordance with the provisions of this section and section 19a-632. If for any reason a hospital ceases operation, any unpaid assessment for the operations of the unit shall be reapportioned among the remaining hospitals to be paid in addition to any other assessment.

Sec. 108. Section 19a-632a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) For purposes of this section, "electronic funds transfer" has the same meaning as provided in section 12-685.

(b) The **[**Office of Health Strategy**]** Department of Public Health may require a hospital to pay an assessment levied pursuant to section 19a-632 by way of an approved method of electronic funds transfer.

(c) A hospital making an electronic funds transfer pursuant to this section shall initiate such transfer in a timely fashion to ensure that a bank account designated by the department is credited by electronic funds transfer for the amount of the assessment required to be made by such method on or before the date such assessment is due.

(d) Where an assessment is required to be made by electronic funds transfer, any payment made by a method other than electronic funds transfer shall be treated as an assessment not made in a timely manner,

and any payment made by electronic funds transfer, where the bank account designated by the department is not credited for the amount of the assessment on or before the date such assessment is due, shall be treated as an assessment not made in a timely manner. Any assessment treated under this subsection as an assessment not made in a timely manner shall be subject to a penalty in accordance with subsection (e) of this section.

(e) Where any assessment is treated under subsection (d) of this section as an assessment not made in a timely manner because it is made by means other than electronic funds transfer, **[**there shall be imposed**]** the department shall impose a penalty equal to ten per cent of the assessment required to be made by electronic funds transfer. Where any assessment made by electronic funds transfer is treated under subsection (d) of this section as an assessment not made in a timely manner because the bank account designated by the department is not credited by electronic funds transfer for the amount of the assessment on or before the date such assessment is due, **[**there shall be imposed**]** the department shall impose a penalty equal to (1) two per cent of the assessment required to be made by electronic funds transfer, if such failure to pay by electronic funds transfer is for not more than five days; (2) five per cent of the assessment required to be made by electronic funds transfer, if such failure to pay by electronic funds transfer is for more than five days but not more than fifteen days; or (3) ten per cent of the assessment required to be made by electronic funds transfer, if such failure to pay by electronic funds transfer is for more than fifteen days.

(f) The **[**office**]** department shall deposit all payments received pursuant to this section with the State Treasurer. The moneys so deposited shall be credited to the General Fund and shall be accounted for as expenses recovered from hospitals.

Sec. 109. Subsection (a) of section 19a-634 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu

thereof (*Effective July 1, 2026*):

(a) The Health Systems Planning Unit shall conduct, on a biennial basis, within available appropriations, a state-wide health care facility utilization study. Such study may include an assessment of: (1) Current availability and utilization of acute hospital care, hospital emergency care, specialty hospital care, outpatient surgical care, primary care and clinic care; (2) geographic areas and subpopulations that may be underserved or have reduced access to specific types of health care services; and (3) other factors that the unit deems pertinent to health care facility utilization. Not later than June thirtieth of the year in which the biennial study is conducted, the Commissioner of **[**Health Strategy**]** Public Health shall report, in accordance with section 11-4a, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to public health and human services on the findings of the study. Such report may also include the unit's recommendations for addressing identified gaps in the provision of health care services and recommendations concerning a lack of access to health care services.

Sec. 110. Subsections (d) and (e) of section 19a-638 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(d) The Commissioner of **[**Health Strategy**]** Public Health may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner holds a public hearing prior to implementing the policies and procedures and posts notice of intent to adopt regulations on the **[**office's**]** department's Internet web site and the eRegulations System not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

(e) On or before June 30, 2026, a mental health facility seeking to increase licensed bed capacity without applying for a certificate of need, as permitted pursuant to subdivision (23) of subsection (b) of this section, shall notify the **[**Office of Health Strategy**]** Department of Public Health, in a form and manner prescribed by the commissioner, regarding (1) such facility's intent to increase licensed bed capacity, (2) the address of such facility, and (3) a description of all services that are being or will be provided at such facility.

Sec. 111. Subdivision (1) of subsection (a) of section 19a-639 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(1) Whether the proposed project is consistent with any applicable policies and standards adopted in regulations by the **[**Office of Health Strategy**]** Department of Public Health;

Sec. 112. Subsection (a) of section 19a-639a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) An application for a certificate of need shall be filed with the unit in accordance with the provisions of this section and any regulations adopted by the **[**Office of Health Strategy**]** Department of Public Health. The application shall address the guidelines and principles set forth in (1) subsection (a) of section 19a-639, and (2) regulations adopted by the department. The applicant shall include with the application a nonrefundable application fee based on the cost of the project. The amount of the fee shall be as follows: (A) One thousand dollars for a project that will cost not greater than fifty thousand dollars; (B) two thousand dollars for a project that will cost greater than fifty thousand dollars but not greater than one hundred thousand dollars; (C) three thousand dollars for a project that will cost greater than one hundred thousand dollars but not greater than five hundred thousand dollars;

(D) four thousand dollars for a project that will cost greater than five hundred thousand dollars but not greater than one million dollars; (E) five thousand dollars for a project that will cost greater than one million dollars but not greater than five million dollars; (F) eight thousand dollars for a project that will cost greater than five million dollars but not greater than ten million dollars; and (G) ten thousand dollars for a project that will cost greater than ten million dollars.

Sec. 113. Subsection (h) of section 19a-639a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(h) The Commissioner of **[**Health Strategy**]** Public Health may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner holds a public hearing prior to implementing the policies and procedures and posts notice of intent to adopt regulations on the **[**office's**]** Department of Public Health's Internet web site and the eRegulations System not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

Sec. 114. Subsection (e) of section 19a-639b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(e) The Commissioner of **[**Health Strategy**]** Public Health may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner holds a public hearing prior to implementing the policies and procedures and posts notice of intent to adopt regulations on the **[**office's**]** Department of Public Health's Internet web site and the eRegulations System not

later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

Sec. 115. Subsection (b) of section 19a-639c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) The Commissioner of **[**Health Strategy**]** Public Health may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner holds a public hearing prior to implementing the policies and procedures and posts notice of intent to adopt regulations on the **[**office's**]** Department of Public Health's Internet web site and the eRegulations System not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

Sec. 116. Subsection (d) of section 19a-639e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(d) The Commissioner of **[**Health Strategy**]** Public Health may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner holds a public hearing prior to implementing the policies and procedures and posts notice of intent to adopt regulations on the **[**office's**]** Department of Public Health's Internet web site and the eRegulations System not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

Sec. 117. Subsection (a) of section 19a-639f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) The Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health shall conduct a cost and market impact review in each case where (1) an application for a certificate of need filed pursuant to section 19a-638 involves the transfer of ownership of a hospital, as defined in section 19a-639, and (2) the purchaser is a hospital, as defined in section 19a-490, whether located within or outside the state, that had net patient revenue for fiscal year 2013 in an amount greater than one billion five hundred million dollars, or a hospital system, as defined in section 19a-486i, whether located within or outside the state, that had net patient revenue for fiscal year 2013 in an amount greater than one billion five hundred million dollars or any person that is organized or operated for profit.

Sec. 118. Subsection (l) of section 19a-639f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(l) The Commissioner of **[**Health Strategy**]** Public Health shall adopt regulations, in accordance with the provisions of chapter 54, concerning cost and market impact reviews and to administer the provisions of this section. Such regulations shall include definitions of the following terms: "Dispersed service area", "health status adjusted total medical expense", "major service category", "relative prices", "total health care spending" and "health care services". The commissioner may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures in regulation form, provided the commissioner publishes notice of intention to adopt the regulations on the **[**office's**]** Department of Public Health's Internet web site and the eRegulations System not later than twenty days after implementing such policies and procedures. Policies

and procedures implemented pursuant to this subsection shall be valid until the time such regulations are effective.

Sec. 119. Subsections (a) and (b) of section 19a-639g of the 2026 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) Notwithstanding any provision of sections 19a-630 to 19a-639f, inclusive, any transacting parties involved in any transfer of ownership, as defined in section 19a-630, of a hospital requiring a certificate of need pursuant to section 19a-638 in which (1) the hospital subject to the transfer of ownership has filed for bankruptcy protection in any court of competent jurisdiction, and (2) a potential purchaser for such hospital has been or is required to be approved by a bankruptcy court, may, at the discretion of the Commissioner of **[**Health Strategy**]** Public Health, apply for an emergency certificate of need through the emergency certificate of need application process described in this section. An emergency certificate of need issued by the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health pursuant to the provisions of this section and any conditions imposed on such issuance shall apply to the applicant applying for the emergency certificate of need, the hospital subject to the transfer of ownership and any subsidiary or group practice that would otherwise require a certificate of need pursuant to the provisions of section 19a-638 and that is also subject to the transfer of ownership as part of the bankruptcy proceeding. The availability of the emergency certificate of need application process described in this section shall not affect any existing certificate of need issued pursuant to the provisions of sections 19a-630 to 19a-639f, inclusive.

(b) (1) The unit shall develop an emergency certificate of need application, which shall identify any data required to be submitted with such application that the unit deems necessary to analyze the effects of a hospital's transfer of ownership on health care costs, quality and access

in the affected market. If a potential purchaser of a hospital, described in subsection (a) of this section, is a for-profit entity, the unit's emergency certificate of need application may require additional information or data intended to ensure that the ongoing operation of the hospital after the transfer of ownership will be maintained in the public interest. The commissioner shall post any emergency certificate of need application developed pursuant to the provisions of this subdivision on the **[**Office of Health Strategy's**]** Department of Public Health's Internet web site and may modify any data required to be submitted with an emergency certificate of need application, provided the commissioner posts any such modification to the **[**office's**]** department's Internet web site not later than fifteen days before such a modification becomes effective.

(2) An applicant seeking an emergency certificate of need shall submit an emergency certificate of need application to the unit in a form and manner prescribed by the commissioner.

(3) An emergency certificate of need application shall be deemed complete on the date the unit determines that an applicant has submitted a complete application, including data required by the unit pursuant to subdivision (1) of this subsection. The unit shall determine whether an application is complete not later than three business days after an applicant submits an application. If, after making such a determination, the unit deems an application incomplete, the unit shall, not more than three business days after deeming such application incomplete, notify the applicant that such application is incomplete and identify any application or data elements that were not adequately addressed by the applicant. The unit shall not review such an application until the applicant submits any such application or data elements to the unit.

(4) The unit may hold a public hearing on an emergency certificate of need application, provided (A) the unit holds such public hearing not

later than thirty days after such application is deemed complete, and (B) the unit notifies the applicant of such public hearing not less than five days before the date of the public hearing. Any such public hearing or any other proceeding related to the emergency certificate of need application process described in this section shall not be considered a contested case pursuant to the provisions of chapter 54. Members of the public may submit public comments at any time during the emergency certificate of need application process and may request the unit to exercise its discretion to hold a public hearing pursuant to the provisions of this subdivision.

(5) When evaluating an emergency certificate of need application, the unit may consult any person and consider any relevant information, provided, unless prohibited by federal or state law, the unit includes any opinion or information gathered from consulting any such person and any such relevant information considered in the record relating to the emergency certificate of need application and cites any such opinion or information and any such relevant information considered in its final decision on the emergency certificate of need application. The unit may contract with one or more third-party consultants, at the expense of the applicant, to analyze (A) the anticipated effect of the hospital's transfer of ownership on access, cost and quality of health care in the affected community, and (B) any other issue arising from the application review process. The aggregate cost of any such third-party consultations shall not exceed two hundred thousand dollars. Any reports or analyses generated by any such third-party consultant that the unit considers in issuing its final decision on an emergency certificate of need application shall, unless otherwise prohibited by federal or state law, be included in the record relating to the emergency certificate of need application. The provisions of chapter 57 and sections 4-212 to 4-219, inclusive, and 4e-19 shall not apply to any retainer agreement executed pursuant to this subsection.

Sec. 120. Section 19a-643 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) The **[**Office of Health Strategy**]** Department of Public Health shall adopt regulations, in accordance with the provisions of chapter 54, to carry out the provisions of sections 19a-630 to 19a-639e, inclusive, and sections 19a-644 and 19a-645 concerning the submission of data by health care facilities and institutions, including data on dealings between health care facilities and institutions and their affiliates, and, with regard to requests or proposals pursuant to sections 19a-638 to 19a-639e, inclusive, by state health care facilities and institutions, the ongoing inspections by the unit of operating budgets that have been approved by the health care facilities and institutions, standard reporting forms and standard accounting procedures to be utilized by health care facilities and institutions and the transferability of line items in the approved operating budgets of the health care facilities and institutions, except that any health care facility or institution may transfer any amounts among items in its operating budget. All such transfers shall be reported to the unit not later than thirty days after the transfer or transfers.

(b) The **[**Office of Health Strategy**]** Department of Public Health may adopt such regulations, in accordance with the provisions of chapter 54, as are necessary to implement this chapter.

Sec. 121. Subsections (a) and (b) of section 19a-644 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) On or before February twenty-eighth annually, for the fiscal year ending on September thirtieth of the immediately preceding year, each short-term acute care general or children's hospital shall report to the unit with respect to its operations in such fiscal year, in such form as the unit may by regulation require. Such report shall include: (1) Salaries

and fringe benefits for the ten highest paid hospital and health system employees; (2) the name of each joint venture, partnership, subsidiary and corporation related to the hospital; (3) the salaries paid to hospital and health system employees by each such joint venture, partnership, subsidiary and related corporation and by the hospital to the employees of related corporations; and (4) information and data prescribed by the **[**Office of Health Strategy**]** Department of Public Health concerning charges for trauma activation fees. For purposes of this subsection, "health system" has the same meaning as provided in section 33-182aa.

(b) The **[**Office of Health Strategy**]** Commissioner of Public Health shall adopt regulations in accordance with chapter 54 to provide for the collection of data and information in addition to the annual report required in subsection (a) of this section. Such regulations shall provide for the submission of information about the operations of the following entities: Persons or parent corporations that own or control the health care facility, institution or provider; corporations, including limited liability corporations, in which the health care facility, institution, provider, its parent, any type of affiliate or any combination thereof, owns more than an aggregate of fifty per cent of the stock or, in the case of nonstock corporations, is the sole member; and any partnerships in which the person, health care facility, institution, provider, its parent or an affiliate or any combination thereof, or any combination of health care providers or related persons, owns a greater than fifty per cent interest. For purposes of this subsection, "affiliate" means any person that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with any health care facility, institution, provider or person that is regulated in any way under this chapter. A person is deemed controlled by another person if the other person, or one of that other person's affiliates, officers, agents or management employees, acts as a general partner or manager of the person in question.

Sec. 122. Section 19a-645 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

A nonprofit hospital, licensed by the Department of Public Health, **[**which**]** that provides lodging, care and treatment to members of the public, and **[**which**]** that wishes to enlarge its public facilities by adding contiguous land and buildings thereon, if any, the title to which it cannot otherwise acquire, may prefer a complaint for the right to take such land to the superior court for the judicial district in which such land is located, provided such hospital shall have received the approval of the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health in accordance with the provisions of this chapter. Said court shall appoint a committee of three disinterested persons, who, after examining the premises and hearing the parties, shall report to the court as to the necessity and propriety of such enlargement and as to the quantity, boundaries and value of the land and buildings thereon, if any, **[**which**]** that they deem proper to be taken for such purpose and the damages resulting from such taking. If such committee reports that such enlargement is necessary and proper and the court accepts such report, the decision of said court thereon shall have the effect of a judgment and execution may be issued thereon accordingly, in favor of the person to whom damages may be assessed, for the amount thereof; and, on payment thereof, the title to the land and buildings thereon, if any, for such purpose shall be vested in the complainant, but such land and buildings thereon, if any, shall not be taken until such damages are paid to such owner or deposited with said court, for such owner's use, **[**within**]** not later than thirty days after such report is accepted. If such application is denied, the owner of the land shall recover costs of the applicant, to be taxed by said court, which may issue execution therefor. Land so taken shall be held by such hospital and used only for the public purpose stated in its complaint to the superior court. No land dedicated or otherwise reserved as open space or park land or for other recreational purposes and no land belonging

to any town, city or borough shall be taken under the provisions of this section.

Sec. 123. Subdivision (1) of subsection (a) of section 19a-646 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(1) "Unit" means the Health Systems Planning Unit within the **[**Office of Health Strategy**]** Department of Public Health, established under section 19a-612;

Sec. 124. Subsections (a) to (d), inclusive, of section 19a-653 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) Any person or health care facility or institution that is required to file a certificate of need for any of the activities described in section 19a-638, and any person or health care facility or institution that is required to file data or information under any public or special act or under this chapter or sections 19a-486 to 19a-486h, inclusive, or any regulation adopted or order issued under this chapter or said sections, and negligently fails to seek certificate of need approval for any of the activities described in section 19a-638, or to so file within prescribed time periods, and any person or health care facility or institution that has agreed to fully resolve a certificate of need application through settlement and negligently fails to comply with any term or condition enumerated in the settlement agreement, shall be subject to a civil penalty of up to one thousand dollars a day for each day such person or health care facility or institution conducts any of the described activities without certificate of need approval as required by section 19a-638, for each day such information is missing, incomplete or inaccurate or for each day any condition of a settlement agreement is not met. Any civil penalty authorized by this section shall be imposed by the **[**Office of Health Strategy**]** Department of Public Health in accordance with

subsections (b) to (e), inclusive, of this section.

(b) If the **[**Office of Health Strategy**]** Department of Public Health has reason to believe that a violation has occurred for which a civil penalty is authorized by subsection (a) of this section or subsection (e) of section 19a-632, **[**it**]** the department shall notify the person or health care facility or institution by first-class mail or personal service. The notice shall include: (1) A reference to the sections of the statute, regulation or settlement agreement involved; (2) a short and plain statement of the matters asserted or charged; (3) a statement of the amount of the civil penalty or penalties to be imposed; (4) the initial date of the imposition of the penalty; and (5) a statement of the party's right to a hearing.

(c) The person or health care facility or institution to whom the notice is addressed shall have fifteen business days **[**from**]** after the date of mailing of the notice to make written application to the unit to (1) request a hearing to contest the imposition of the penalty, (2) request an extension of time to file the required data, or (3) comply with enumerated conditions of an agreed settlement. A failure to make a timely request for a hearing or an extension of time to file the required data or a denial of a request for an extension of time shall result in a final order for the imposition of the penalty. All hearings under this section shall be conducted pursuant to sections 4-176e to 4-184, inclusive. The **[**Office of Health Strategy**]** Department of Public Health may grant an extension of time for filing the required data or mitigate or waive the penalty upon such terms and conditions as, in its discretion, it deems proper or necessary upon consideration of any extenuating factors or circumstances.

(d) A final order of the **[**Office of Health Strategy**]** Department of Public Health assessing a civil penalty shall be subject to appeal as set forth in section 4-183 after a hearing before the unit pursuant to subsection (c) of this section, except that any such appeal shall be taken to the superior court for the judicial district of New Britain. Such final

order shall not be subject to appeal under any other provision of the general statutes. No challenge to any such final order shall be allowed as to any issue **[**which**]** that could have been raised by an appeal of an earlier order, denial or other final decision by the **[**office**]** department.

Sec. 125. Subsections (b) to (g), inclusive, of section 19a-654 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) Each short-term acute care general or children's hospital shall submit patient-identifiable inpatient discharge data and emergency department data to the **[**Health Systems Planning Unit of the Office of Health Strategy to fulfill the responsibilities of the unit**]** Department of Public Health (1) to assist the department in fulfilling its responsibilities under chapter 368z, and (2) for the purposes set forth in section 19a-25 and the regulations promulgated thereunder. Such data shall include data taken from patient medical record abstracts and bills. The **[**unit**]** department shall specify the timing and format of such submissions. Data submitted pursuant to this section may be submitted through a contractual arrangement with an intermediary and such contractual arrangement shall **[**(1)**]** (A) comply with the provisions of the Health Insurance Portability and Accountability Act of 1996 P.L. 104-191 (HIPAA), and **[**(2)**]** (B) ensure that such submission of data is timely and accurate. The **[**unit**]** department may conduct an audit of the data submitted through such intermediary in order to verify its accuracy.

(c) An outpatient surgical facility, as defined in section 19a-493b, a short-term acute care general or children's hospital, or a facility that provides outpatient surgical services as part of the outpatient surgery department of a short-term acute care hospital shall submit to the **[**unit**]** department the data identified in subsection (c) of section 19a-634. The **[**unit**]** department shall convene a working group consisting of representatives of outpatient surgical facilities, hospitals and other individuals necessary to develop recommendations that address current

obstacles to, and proposed requirements for, patient-identifiable data reporting in the outpatient setting. **[**On or before February 1, 2012, the**]** The working group shall report, in accordance with the provisions of section 11-4a, on its findings and recommendations to the joint standing committees of the General Assembly having cognizance of matters relating to public health and insurance and real estate **[**. Additional reporting of**]** regarding such outpatient data as the **[**unit**]** department deems necessary. **[**shall begin not later than July 1, 2015. On or before July 1, 2018, and annually thereafter,**]** Not later than July first annually, the Connecticut Association of Ambulatory Surgery Centers shall provide a progress report to the **[**Office of Health Strategy**]** Department of Public Health, until such time as all ambulatory surgery centers are in full compliance with the implementation of systems that allow for the reporting of outpatient data as required by the **[**commissioner**]** Commissioner of Public Health. Until such additional reporting requirements take effect on July 1, 2015, the department may work with the Connecticut Association of Ambulatory Surgery Centers and the Connecticut Hospital Association on specific data reporting initiatives provided that no penalties shall be assessed under this chapter or any other provision of law with respect to the failure to submit such data.

(d) Except as provided in this subsection and section 19a-25, and the regulations promulgated thereunder, patient-identifiable data received by the **[**unit**]** department shall be kept confidential by the department and shall not be considered public records or files subject to disclosure under the Freedom of Information Act, as defined in section 1-200. The **[**unit**]** department may release de-identified patient data or aggregate patient data to the public in a manner consistent with the provisions of 45 CFR 164.514. **[**Any de-identified patient data released by the unit shall exclude provider, physician and payer organization names or codes and shall be kept confidential by the recipient. The unit**]** The department may release patient-identifiable data (1) for **[**medical and scientific research as provided for in section 19a-25-3 of the regulations

of Connecticut state agencies, and (2) to (A) a state agency for the purpose of improving health care service delivery, (B)**]** the purposes set forth in and pursuant to section 19a-25 and the regulations promulgated thereunder, and (2) to (A) a federal agency or the office of the Attorney General for the purpose of investigating hospital mergers and acquisitions, **[**(C)**]** (B) another state's health data collection agency with which the **[**unit**]** department has entered into a reciprocal data-sharing agreement for the purpose of certificate of need review or evaluation of health care services, upon receipt of a request from such agency, provided, prior to the release of such patient-identifiable data, such agency enters into a written agreement with the **[**unit**]** department pursuant to which such agency agrees to protect the confidentiality of such patient-identifiable data and not to use such patient-identifiable data as a basis for any decision concerning a patient, or **[**(D)**]** (C) a consultant or independent professional contracted by the **[**Office of Health Strategy**]** Department of Public Health pursuant to section 19a-614 to carry out the functions of the **[**unit**]** department, including collecting, managing or organizing such patient-identifiable data. **[**No**]** Except as provided under section 19a-25 and the regulations promulgated thereunder, no individual or entity receiving patient-identifiable data may release such data in any manner that may result in an individual patient, physician, provider or payer being identified. The **[**unit**]** department shall impose a reasonable, cost-based fee for any patient data provided to a nongovernmental entity.

(e) Not later than October 1, 2018, the **[**Health Systems Planning Unit**]** department shall enter into a memorandum of understanding with the Comptroller that shall permit the Comptroller to access the data set forth in subsections (b) and (c) of this section, provided the Comptroller agrees, in writing, to keep individual patient and provider data identified by proper name or personal identification code and submitted pursuant to this section confidential.

(f) The Commissioner of **[**Health Strategy**]** Public Health shall adopt regulations, in accordance with the provisions of chapter 54, to carry out the provisions of this section.

(g) The duties assigned to the **[**Office of Health Strategy**]** Department of Public Health under the provisions of this section shall be implemented within available appropriations.

Sec. 126. Subdivision (1) of section 19a-659 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(1) "Unit" means the Health Systems Planning Unit within the **[**Office of Health Strategy**]** Department of Public Health, established under section 19a-612;

Sec. 127. Section 19a-673a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The Commissioner of **[**Health Strategy**]** Public Health shall adopt regulations, in accordance with chapter 54, to establish uniform debt collection standards for hospitals.

Sec. 128. Subsection (c) of section 19a-681 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(c) Upon the request of the **[**Office of Health Strategy, established under section 19a-754a**]** Department of Public Health, or a patient, a hospital shall provide to the **[**office**]** department or the patient a detailed patient bill. If the billing detail by line item on a detailed patient bill does not agree with the detailed schedule of charges on file with the unit for the date of service specified on the bill, the hospital shall be subject to a civil penalty of five hundred dollars per occurrence payable to the state not later than fourteen days after the date of notification. The penalty

shall be imposed in accordance with section 19a-653. The unit may issue an order requiring such hospital, not later than fourteen days after the date of notification of an overcharge to a patient, to adjust the bill to be consistent with the detailed schedule of charges on file with the unit for the date of service specified on the detailed patient bill.

Sec. 129. Subsections (b) to (f), inclusive, of section 19a-754b of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) **[**Beginning on**]** On and after January 1, 2020, each sponsor shall submit to the **[**Office of Health Strategy, established in section 19a-754a**]** Department of Public Health, in a form and manner specified by the **[**office**]** department, written notice informing the **[**office**]** department that such sponsor has filed with the federal Food and Drug Administration:

(1) A new drug application or biologics license application for a pipeline drug, not later than sixty days after such sponsor receives an action date from the federal Food and Drug Administration regarding such application; or

(2) A biologics license application for a biosimilar drug, not later than sixty days after such sponsor's receipt of an action date from the federal Food and Drug Administration regarding such application.

(c) (1) Beginning on January 1, 2020, the Commissioner of **[**Health Strategy**]** Public Health may conduct a study, with the assistance of the Comptroller and not more frequently than once annually, of each pharmaceutical manufacturer of a pipeline drug that, in the opinion of the commissioner in consultation with the Comptroller and the Commissioner of Social Services, may have a significant impact on state expenditures for outpatient prescription drugs. The **[**office**]** Department of Public Health may work with the Comptroller to utilize existing state

resources and contracts, or contract with a third party, including, but not limited to, an accounting firm, to conduct such study.

(2) Each pharmaceutical manufacturer that is the subject of a study conducted pursuant to subdivision (1) of this subsection shall submit to the **[**office**]** Department of Public Health, or any contractor engaged by the **[**office**]** department or the Comptroller to perform such study, the following information for the pipeline drug that is the subject of such study:

(A) The primary disease, condition or therapeutic area studied in connection with such drug, and whether such drug is therapeutically indicated for such disease, condition or therapeutic area;

(B) Each route of administration studied for such drug;

(C) Clinical trial comparators, if applicable, for such drug;

(D) The estimated year of market entry for such drug;

(E) Whether the federal Food and Drug Administration has designated such drug as an orphan drug, a fast track product or a breakthrough therapy; and

(F) Whether the federal Food and Drug Administration has designated such drug for accelerated approval and, if such drug contains a new molecular entity, for priority review.

(d) (1) **[**On or before**]** Not later than March **[**1, 2020, and**]** first annually, **[**thereafter,**]** the Commissioner of **[**Health Strategy**]** Public Health, in consultation with the Comptroller **[**,**]** and the Commissioner of Social Services, **[**and Commissioner of Public Health,**]** shall prepare a list of not more than ten outpatient prescription drugs that the Commissioner of **[**Health Strategy**]** Public Health, in the commissioner's discretion, determines are (A) provided at substantial cost to the state,

considering the net cost of such drugs, or (B) critical to public health. The list shall include outpatient prescription drugs from different therapeutic classes of outpatient prescription drugs and not less than one generic outpatient prescription drug.

(2) Prior to publishing the annual list pursuant to subdivision (1) of this subsection, the **[**commissioner**]** Commissioner of Public Health shall prepare a preliminary list that includes outpatient prescription drugs that the commissioner plans to include on such annual list. The commissioner shall make such preliminary list available for public comment for not less than thirty days. During the public comment period, any manufacturer of an outpatient prescription drug included on the preliminary list may produce documentation, as permitted by federal law, to the commissioner to establish that the wholesale acquisition cost of such drug, less all rebates paid to the state for such outpatient prescription drug during the immediately preceding calendar year, does not exceed the limits established in subdivision (3) of this subsection. If such documentation establishes, to the satisfaction of the commissioner, that the wholesale acquisition cost of the drug, less all rebates paid to the state for such drug during the immediately preceding calendar year, does not exceed the limits established in subdivision (3) of this subsection, the commissioner shall, not later than fifteen days after the closing of the public comment period, remove such drug from the preliminary list before publishing the annual list pursuant to subdivision (1) of this subsection.

(3) The **[**commissioner**]** Commissioner of Public Health shall not list any outpatient prescription drugs under subdivision (1) or (2) of this subsection unless the wholesale acquisition cost of such outpatient prescription drug (A) increased by not less than sixteen per cent cumulatively during the immediately preceding two calendar years, and (B) was not less than forty dollars for a course of treatment.

(4) (A) The pharmaceutical manufacturer of an outpatient

prescription drug included on a list prepared by the **[**commissioner**]** Commissioner of Public Health pursuant to subdivision (1) of this subsection shall provide to the **[**office**]** Department of Public Health, in a form and manner specified by the commissioner, (i) a written, narrative description, suitable for public release, of all factors that caused the increase in the wholesale acquisition cost of the listed outpatient prescription drug, and (ii) aggregate, company-level research and development costs and such other capital expenditures that the commissioner, in the commissioner's discretion, deems relevant for the most recent year for which final audited data are available.

(B) The quality and types of information and data that a pharmaceutical manufacturer submits to the **[**office**]** department under this subdivision shall be consistent with the quality and types of information and data that the pharmaceutical manufacturer includes in (i) such pharmaceutical manufacturer's annual consolidated report on Securities and Exchange Commission Form 10-K, or (ii) any other public disclosure.

(5) The **[**office**]** Department of Public Health shall establish a standardized form for reporting information and data pursuant to this subsection after consulting with pharmaceutical manufacturers. The form shall be designed to minimize the administrative burden and cost of reporting on the **[**office**]** department and pharmaceutical manufacturers.

(e) The **[**office**]** Department of Public Health may impose a penalty of not more than seven thousand five hundred dollars on a pharmaceutical manufacturer or sponsor for each violation of this section by the pharmaceutical manufacturer or sponsor.

(f) The **[**office**]** Department of Public Health may adopt regulations, in accordance with the provisions of chapter 54, to carry out the purposes of this section.

Sec. 130. Subsections (a) to (c), inclusive, of section 19a-754c of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) For the purposes of this section:

(1) "Affordable Care Act" has the same meaning as provided in section 38a-1080;

(2) "Covered Connecticut program" means the program established under subsection (b) of this section;

(3) "Exchange" has the same meaning as provided in section 38a-1080;

(4) "Health carrier" has the same meaning as provided in section 38a-1080;

(5) "Individual market" has the same meaning as provided in 42 USC 18024(a), as amended from time to time; and

[(6) "Office of Health Strategy" means the Office of Health Strategy established under section 19a-754a; and**]**

[(7)**]** (6) "Silver level" has the same meaning as provided in 42 USC 18022(d), as amended from time to time.

(b) There is established within the Department of Social Services the Covered Connecticut program for the purpose of reducing the state's uninsured rate. The Commissioner of Social Services shall administer said program in consultation with the **[**Office of Health Strategy,**]** Insurance Commissioner and exchange, and, as part of said program, the Department of Social Services shall:

(1) Provide premium and cost-sharing subsidies that are sufficient to ensure fully subsidized coverage:

(A) On and after July 1, 2021, for parents and needy caretaker relatives, and their tax dependents not older than twenty-six years of age, who (i) are eligible for premium and cost-sharing subsidies for a qualified health plan, (ii) are ineligible for Medicaid because their income exceeds the Medicaid income limits under chapter 319v, (iii) have household income up to one hundred seventy-five per cent of the federal poverty level, (iv) are receiving coverage under a qualified health plan offered through the exchange in the individual market at a silver level of coverage, and (v) are utilizing the full amount of applicable premium subsidies for such plan;

(B) On and after July 1, 2021, for the following additional family members of parents and caretaker relatives receiving coverage under such qualified health plan, provided the requirements of subparagraph (A) of subdivision (1) of this subsection are met: (i) A child over twenty-six years of age who is permanently and totally disabled, as defined by the Internal Revenue Service pursuant to 26 USC 152, or (ii) a child who is over the age of twenty-six and is incapable of self-sustaining employment by reason of mental or physical handicap and is chiefly dependent upon the parent or caretaker relative for support and maintenance, as described in sections 38a-489 and 38a-512a, or (iii) a child or stepchild receiving coverage under such qualified health plan as described in sections 38a-497 and 38a-512b;

(C) On and after July 1, 2022, for all parents, needy caretaker relatives and low-income adults who (i) are at least nineteen but not more than sixty-four years of age, (ii) are eligible for premium and cost-sharing subsidies for a qualified health plan, (iii) are ineligible for Medicaid because their income exceeds the Medicaid income limits under chapter 319v, (iv) have household income up to one hundred seventy-five per cent of the federal poverty level, (v) are receiving coverage under a qualified health plan offered through the exchange in the individual market at a silver level of coverage, and (vi) are utilizing the full amount

of applicable premium subsidies for such plan; and

(D) On and after July 1, 2022, for the following additional family members of parents, caretaker relatives, and adults receiving coverage under such qualified health plan, provided the requirements of subparagraph (C) of subdivision (1) of this subsection are met: (i) A child over twenty-six years of age who is permanently and totally disabled, as defined by the Internal Revenue Service pursuant to 26 USC 152, or (ii) a child who is over the age of twenty-six and is incapable of self-sustaining employment by reason of mental or physical handicap and is chiefly dependent upon the parent or caretaker relative for support and maintenance, as described in sections 38a-489 and 38a-512a, or (iii) a child or stepchild, as described in sections 38a-497 and 38a-512b.

(2) Not earlier than July 1, 2022, provide dental and nonemergency medical transportation services, as provided under chapter 319v, to all eligible individuals described in subdivision (1) of this subsection;

(3) Establish procedures to, on a quarterly basis, pay in reimbursement to each health carrier offering the qualified health plan described in subparagraph (A) or (B) of subdivision (1) of this subsection, as applicable, the premium and cost-sharing subsidies required under subdivision (1) of this subsection to ensure fully subsidized coverage; and

(4) Consult with the **[**Office of Health Strategy and**]** Insurance Commissioner for the purposes set forth in section 17b-312.

(c) (1) The **[**Office of Health Strategy**]** Department of Social Services may, subject to the approval required under subdivision (3) of this subsection, seek a waiver pursuant to Section 1332 of the Affordable Care Act, as amended from time to time, to advance the purpose of the Covered Connecticut program. The **[**Office of Health Strategy**]** department shall implement such waiver if the federal government

issues such waiver.

(2) The **[**Office of Health Strategy**]** Commissioner of Social Services shall submit a report, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations, human services and insurance containing any proposed waiver described in subdivision (1) of this subsection before seeking such waiver from the federal government.

(3) Not later than thirty days after the **[**Office of Health Strategy**]** Commissioner of Social Services submits a report under subdivision (2) of this subsection, the joint standing committees of the General Assembly having cognizance of matters relating to appropriations, human services and insurance shall convene a joint public hearing on the proposed waiver contained in the report submitted pursuant to subdivision (2) of this subsection, separately vote to approve or reject such proposed waiver and advise the **[**Office of Health Strategy**]** commissioner of their approval or rejection of such proposed waiver. If any committee takes no action on such proposed waiver within the thirty-day period, the proposed waiver shall be deemed rejected.

Sec. 131. Section 19a-754d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) **[**On and after January 1, 2022, any**]** Any state agency, board or commission that directly, or by contract with another entity, collects demographic data concerning the ancestry or ethnic origin, ethnicity, race or primary language of residents of the state in the context of health care or for the provision or receipt of health care services or for any public health purpose shall:

(1) Collect such data in a manner that allows for aggregation and disaggregation of data;

(2) Expand race and ethnicity categories to include subgroup

identities as specified by the **[**Community and Clinical Integration Program of the Office of Health Strategy**]** Office of Policy and Management and follow the hierarchical mapping to align with United States Office of Management and Budget standards;

(3) Provide the option to individuals of selecting one or more ethnic or racial designations and include an "other" designation with the ability to write in identities not represented by other codes;

(4) Provide the option to individuals to refuse to identify with any ethnic or racial designations;

(5) Collect primary language data employing language codes set by the International Organization for Standardization; and

(6) Ensure, in cases where data concerning an individual's ethnic origin, ethnicity or race is reported to any other state agency, board or commission, that such data is neither tabulated nor reported without all of the following information: (A) The number or percentage of individuals who identify with each ethnic or racial designation as their sole ethnic or racial designation and not in combination with any other ethnic or racial designation; (B) the number or percentage of individuals who identify with each ethnic or racial designation, whether as their sole ethnic or racial designation or in combination with other ethnic or racial designations; (C) the number or percentage of individuals who identify with multiple ethnic or racial designations; and (D) the number or percentage of individuals who do not identify or refuse to identify with any ethnic or racial designations.

(b) Each health care provider with an electronic health record system capable of connecting to and participating in the State-wide Health Information Exchange as specified in section 17b-59e shall, collect and include in its electronic health record system self-reported patient demographic data including, but not limited to, race, ethnicity, primary

language, insurance status and disability status based upon the implementation plan developed **[**under subsection (c) of this section**]** in consultation with consumer advocates, health equity experts, state agencies and health care providers for the changes required by this section. Race and ethnicity data shall adhere to standard categories as determined in subsection (a) of this section.

[(c) Not later than August 1, 2021, the Office of Health Strategy shall consult with consumer advocates, health equity experts, state agencies and health care providers, to create an implementation plan for the changes required by this section.**]**

[(d)**]** (c) The Office of **[**Health Strategy**]** Policy and Management shall (1) review (A) demographic changes in race and ethnicity, as determined by the U.S. Census Bureau, and (B) health data collected by the state, and (2) reevaluate the standard race and ethnicity categories from time to time, in consultation with health care providers, consumers and the joint standing committee of the General Assembly having cognizance of matters relating to public health.

Sec. 132. Section 19a-754f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

For the purposes of this section and sections 19a-754g to 19a-754k, inclusive:

(1) "Drug manufacturer" means the manufacturer of a drug that is: (A) Included in the information and data submitted by a health carrier pursuant to section 38a-479qqq, (B) studied or listed pursuant to subsection (c) or (d) of section 19a-754b, or (C) in a therapeutic class of drugs that the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management determines, through public or private reports, has had a substantial impact on prescription drug expenditures, net of rebates, as a percentage of total health care expenditures;

[(2) "Commissioner" means the Commissioner of Health Strategy;**]**

[(3)**]** (2) "Health care cost growth benchmark" means the annual benchmark established pursuant to section 19a-754g;

[(4)**]** (3) "Health care quality benchmark" means an annual benchmark established pursuant to section 19a-754g;

[(5)**]** (4) "Health care provider" has the same meaning as provided in subdivision (1) of subsection (a) of section 19a-17b;

[(6)**]** (5) "Net cost of private health insurance" means the difference between premiums earned and benefits incurred, and includes insurers' costs of paying bills, advertising, sales commissions, and other administrative costs, net additions or subtractions from reserves, rate credits and dividends, premium taxes and profits or losses;

[(7)**]** (6) "Office" means the Office of **[**Health Strategy established under section 19a-754a**]** Policy and Management;

[(8)**]** (7) "Other entity" means a drug manufacturer, pharmacy benefits manager or other health care provider that is not considered a provider entity;

[(9)**]** (8) "Payer" means a payer, including Medicaid, Medicare and governmental and nongovernment health plans, and includes any organization acting as payer that is a subsidiary, affiliate or business owned or controlled by a payer that, during a given calendar year, pays health care providers for health care services or pharmacies or provider entities for prescription drugs designated by the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management;

[(10)**]** (9) "Performance year" means the most recent calendar year for which data were submitted for the applicable health care cost growth benchmark, primary care spending target or health care quality

benchmark;

[(11)**]** (10) "Pharmacy benefits manager" has the same meaning as provided in subdivision (10) of section 38a-479ooo;

[(12)**]** (11) "Primary care spending target" means the annual target established pursuant to section 19a-754g;

[(13)**]** (12) "Provider entity" means an organized group of clinicians that come together for the purposes of contracting, or are an established billing unit that, at a minimum, includes primary care providers, and that collectively, during any given calendar year, has enough attributed lives to participate in total cost of care contracts, even if they are not engaged in a total cost of care contract;

[(14)**]** (13) "Potential gross state product" means a forecasted measure of the economy that equals the sum of the (A) expected growth in national labor force productivity, (B) expected growth in the state's labor force, and (C) expected national inflation, minus the expected state population growth;

(14) "Secretary" means the Secretary of the Office of Policy and Management;

(15) "Total health care expenditures" means the sum of all health care expenditures in this state from public and private sources for a given calendar year, including: (A) All claims-based spending paid to providers, net of pharmacy rebates, (B) all patient cost-sharing amounts, and (C) the net cost of private health insurance; and

(16) "Total medical expense" means the total cost of care for the patient population of a payer or provider entity for a given calendar year, where cost is calculated for such year as the sum of (A) all claims-based spending paid to providers by public and private payers, and net of pharmacy rebates, (B) all nonclaims payments for such year,

including, but not limited to, incentive payments and care coordination payments, and (C) all patient cost-sharing amounts expressed on a per capita basis for the patient population of a payer or provider entity in this state.

Sec. 133. Section 19a-754g of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

[(a) Not later than July 1, 2022, the commissioner shall publish (1) the health care cost growth benchmarks and annual primary care spending targets as a percentage of total medical expenses for the calendar years 2021 to 2025, inclusive, and (2) the annual health care quality benchmarks for the calendar years 2022 to 2025, inclusive, on the office's Internet web site.**]**

[(b)**]** (a) (1) (A) Not later than July 1, 2025, and every five years thereafter, the **[**commissioner**]** secretary shall develop and adopt annual health care cost growth benchmarks and annual primary care spending targets for the succeeding five calendar years for provider entities and payers.

(B) In developing the health care cost growth benchmarks and primary care spending targets pursuant to this subdivision, the **[**commissioner**]** secretary shall consider (i) any historical and forecasted changes in median income for individuals in the state and the growth rate of potential gross state product, (ii) the rate of inflation, and (iii) the most recent report prepared by the **[**commissioner**]** secretary pursuant to subsection (b) of section 19a-754h.

(C) (i) The **[**commissioner**]** secretary shall hold at least one informational public hearing prior to adopting the health care cost growth benchmarks and primary care spending targets for each succeeding five-year period described in this subdivision. The

[commissioner**]** secretary may hold informational public hearings concerning any annual health care cost growth benchmark and primary care spending target set pursuant to **[**subsection (a) of this section or**]** this subdivision. **[**(1) of subsection (b) of this section.**]** Such informational public hearings shall be held at a time and place designated by the **[**commissioner**]** secretary in a notice prominently posted by the **[**commissioner**]** secretary on the office's Internet web site and in a form and manner prescribed by the **[**commissioner**]** secretary. The **[**commissioner**]** secretary shall make available on the office's Internet web site a summary of any such informational public hearing and include the **[**commissioner's**]** secretary's recommendations, if any, to modify or not to modify any such annual benchmark or target.

(ii) If the **[**commissioner**]** secretary determines, after any informational public hearing held pursuant to this subparagraph, that a modification to any health care cost growth benchmark or annual primary care spending target is, in the **[**commissioner's**]** secretary's discretion, reasonably warranted, the **[**commissioner**]** secretary may modify such benchmark or target.

(iii) The **[**commissioner**]** secretary shall annually (I) review the current and projected rate of inflation, and (II) include on the office's Internet web site the **[**commissioner's**]** secretary's findings of such review, including the reasons for making or not making a modification to any applicable health care cost growth benchmark. If the **[**commissioner**]** secretary determines that the rate of inflation requires modification of any health care cost growth benchmark adopted under this section, the **[**commissioner**]** secretary may modify such benchmark. In such event, the **[**commissioner**]** secretary shall not be required to hold an informational public hearing concerning such modified health care cost growth benchmark.

(D) The **[**commissioner**]** secretary shall post each adopted health care cost growth benchmark and annual primary care spending target on the

office's Internet web site.

(E) Notwithstanding the provisions of subparagraphs (A) to (D), inclusive, of this subdivision, if the average annual health care cost growth benchmark for a succeeding five-year period described in this subdivision differs from the average annual health care cost growth benchmark for the five-year period preceding such succeeding five-year period by more than one-half of one per cent, the **[**commissioner**]** secretary shall submit the annual health care cost growth benchmarks developed for such succeeding five-year period to the joint standing committee of the General Assembly having cognizance of matters relating to insurance for the committee's review and approval. The committee shall be deemed to have approved such annual health care cost growth benchmarks for such succeeding five-year period, except upon a vote to reject such benchmarks by the majority of committee members at a meeting of such committee called for the purpose of reviewing such benchmarks and held not later than thirty days after the **[**commissioner**]** secretary submitted such benchmarks to such committee. If the committee votes to reject such benchmarks, the **[**commissioner**]** secretary may submit to the committee modified annual health care cost growth benchmarks for such succeeding five-year period for the committee's review and approval in accordance with the provisions of this subparagraph. The **[**commissioner**]** secretary shall not be required to hold an informational public hearing concerning such modified benchmarks. Until the joint standing committee of the General Assembly having cognizance of matters relating to insurance approves annual health care cost growth benchmarks for the succeeding five-year period, such benchmarks shall be deemed to be equal to the average annual health care cost growth benchmark for the preceding five-year period.

(2) (A) Not later than July 1, 2025, and every five years thereafter, the **[**commissioner**]** secretary shall develop and adopt annual health care

quality benchmarks for the succeeding five calendar years for provider entities and payers.

(B) In developing annual health care quality benchmarks pursuant to this subdivision, the **[**commissioner**]** secretary shall consider (i) quality measures endorsed by nationally recognized organizations, including, but not limited to, the National Quality Forum, the National Committee for Quality Assurance, the Centers for Medicare and Medicaid Services, the National Centers for Disease Control and Prevention, the Joint Commission and expert organizations that develop health equity measures, and (ii) measures that: (I) Concern health outcomes, overutilization, underutilization and patient safety, (II) meet standards of patient-centeredness and ensure consideration of differences in preferences and clinical characteristics within patient subpopulations, and (III) concern community health or population health.

(C) (i) The **[**commissioner**]** secretary shall hold at least one informational public hearing prior to adopting the health care quality benchmarks for each succeeding five-year period described in this subdivision. The **[**commissioner**]** secretary may hold informational public hearings concerning the quality measures the **[**commissioner**]** secretary proposes to adopt as health care quality benchmarks. Such informational public hearings shall be held at a time and place designated by the **[**commissioner**]** secretary in a notice prominently posted by the **[**commissioner**]** secretary on the office's Internet web site and in a form and manner prescribed by the **[**commissioner**]** secretary. The **[**commissioner**]** secretary shall make available on the office's Internet web site a summary of any such informational public hearing and include the recommendations, if any, to modify or not modify any such health care quality benchmark.

(ii) If the **[**commissioner**]** secretary determines, after any informational public hearing held pursuant to this subparagraph, that modifications to any health care quality benchmarks are, in the

[commissioner's**]** secretary's discretion, reasonably warranted, the **[**commissioner**]** secretary may modify such quality benchmarks. The **[**commissioner**]** secretary shall not be required to hold an additional informational public hearing concerning such modified quality benchmarks.

(D) The **[**commissioner**]** secretary shall post each adopted health care quality benchmark on the office's Internet web site.

[(c)**]** (b) The **[**commissioner**]** secretary may enter into such contractual agreements as may be necessary to carry out the purposes of this section, including, but not limited to, contractual agreements with actuarial, economic and other experts and consultants.

Sec. 134. Section 19a-754h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) Not later than August **[**15, 2022, and**]** fifteenth annually, **[**thereafter,**]** each payer shall report to the **[**commissioner**]** secretary, in a form and manner prescribed by the **[**commissioner**]** secretary, for the preceding or prior years, if the **[**commissioner**]** secretary so requests based on material changes to data previously submitted, aggregated data, including aggregated self-funded data as applicable, necessary for the **[**commissioner**]** secretary to calculate total health care expenditures, primary care spending as a percentage of total medical expenses and net cost of private health insurance. Each payer shall also disclose, as requested by the **[**commissioner**]** secretary, payer data required for adjusting total medical expense calculations to reflect changes in the patient population.

(b) Not later than March **[**31, 2023, and**]** thirty-first annually, **[**thereafter, the commissioner**]** the secretary shall prepare and post on the office's Internet web site, a report concerning the total health care expenditures utilizing the total aggregate medical expenses reported by

payers pursuant to subsection (a) of this section, including, but not limited to, a breakdown of such population-adjusted total medical expenses by payer and provider entities. The report may include, but **[**shall**]** need not be limited to, information regarding the following:

(1) Trends in major service category spending;

(2) Primary care spending as a percentage of total medical expenses;

(3) The net cost of private health insurance by payer by market segment, including individual, small group, large group, self-insured, student and Medicare Advantage markets; and

(4) Any other factors the **[**commissioner**]** secretary deems relevant to providing context on such data, which shall include, but not be limited to, the following factors: (A) The impact of the rate of inflation and rate of medical inflation; (B) impacts, if any, on access to care; and (C) responses to public health crises or similar emergencies.

(c) The **[**commissioner**]** secretary shall annually submit a request to the federal Centers for Medicare and Medicaid Services for the unadjusted total medical expenses of Connecticut residents.

(d) Not later than August **[**15, 2023, and**]** fifteenth annually, **[**thereafter,**]** each payer or provider entity shall report to the **[**commissioner**]** secretary, in a form and manner prescribed by the **[**commissioner**]** secretary, for the preceding year, and for prior years if the **[**commissioner**]** secretary so requests based on material changes to data previously submitted, on the health care quality benchmarks adopted pursuant to section 19a-754g.

(e) Not later than March **[**31, 2024, and**]** thirty-first annually, **[**thereafter, the commissioner**]** the secretary shall prepare and post on the office's Internet web site, a report concerning health care quality benchmarks reported by payers and provider entities pursuant to

subsection (d) of this section.

(f) The commissioner may enter into such contractual agreements as may be necessary to carry out the purposes of this section, including, but not limited to, contractual agreements with actuarial, economic and other experts and consultants.

Sec. 135. Section 19a-754i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) (1) For each calendar year, beginning on January 1, 2023, the **[**commissioner**]** secretary shall, if the payer or provider entity subject to the cost growth benchmark or primary care spending target **[**so**]** requests **[**,**]** a meeting, the secretary shall meet with such payer or provider entity to review and validate the total medical expenses data collected pursuant to section 19a-754h for such payer or provider entity. The **[**commissioner**]** secretary shall review information provided by the payer or provider entity and, if deemed necessary, amend findings for such payer or provider prior to the identification of payer or provider entities that exceeded the health care cost growth benchmark or failed to meet the primary care spending target for the performance year as set forth in section 19a-754h. The **[**commissioner**]** secretary shall identify, not later than May first of such calendar year, each payer or provider entity that exceeded the health care cost growth benchmark or failed to meet the primary care spending target for the performance year.

(2) For each calendar year beginning on or after January 1, 2024, the **[**commissioner**]** secretary shall, if the payer or provider entity subject to the health care quality benchmarks for the performance year **[**so**]** requests **[**,**]** a meeting, the secretary shall meet with such payer or provider entity to review and validate the quality data collected pursuant to section 19a-754h for such payer or provider entity. The **[**commissioner**]** secretary shall review information provided by the payer or provider entity and, if deemed necessary, amend findings for

such payer or provider prior to the identification of payer or provider entities that exceeded the health care quality benchmark as set forth in section 19a-754h. The **[**commissioner**]** secretary shall identify, not later than May first of such calendar year, each payer or provider entity that exceeded the health care quality benchmark for the performance year.

(3) Not later than thirty days after the **[**commissioner**]** secretary identifies each payer or provider entity pursuant to subdivisions (1) and (2) of this subsection, the **[**commissioner**]** secretary shall send a notice to each such payer or provider entity. Such notice shall be in a form and manner prescribed by the **[**commissioner**]** secretary, and shall disclose to each such payer or provider entity:

(A) That the **[**commissioner**]** secretary has identified such payer or provider entity pursuant to subdivision (1) or (2) of this subsection; and

(B) The factual basis for the **[**commissioner's**]** secretary's identification of such payer or provider entity pursuant to subdivision (1) or (2) of this subsection.

(b) (1) For each calendar year beginning on and after January 1, 2023, if the **[**commissioner**]** secretary determines that the annual percentage change in total health care expenditures for the performance year exceeded the health care cost growth benchmark for such year, the **[**commissioner**]** secretary shall identify, not later than May first of such calendar year, any other entity that significantly contributed to exceeding such benchmark. Each identification shall be based on:

(A) The report prepared by the **[**commissioner**]** secretary pursuant to subsection (b) of section 19a-754h for such calendar year;

(B) The report filed pursuant to section 38a-479ppp for such calendar year;

(C) The information and data reported to the office pursuant to

subsection (d) of section 19a-754b for such calendar year;

(D) Information obtained from the all-payer claims database established under section 19a-755a; and

(E) Any other information that the **[**commissioner**]** secretary, in the **[**commissioner's**]** secretary's discretion, deems relevant for the purposes of this section.

(2) The **[**commissioner**]** secretary shall account for costs, net of rebates and discounts, when identifying other entities pursuant to this section.

Sec. 136. Section 19a-754j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) (1) Not later than June **[**30, 2023, and**]** thirtieth annually, **[**thereafter, the commissioner**]** the secretary shall hold an informational public hearing to compare the growth in total health care expenditures in the performance year to the health care cost growth benchmark established pursuant to section 19a-754g for such year. Such hearing shall involve an examination of:

(A) The report most recently prepared by the **[**commissioner**]** secretary pursuant to subsection (b) of section 19a-754h;

(B) The expenditures of provider entities and payers, including, but not limited to, health care cost trends, primary care spending as a percentage of total medical expenses and the factors contributing to such costs and expenditures; and

(C) Any other matters that the **[**commissioner**]** secretary, in the **[**commissioner's**]** secretary's discretion, deems relevant for the purposes of this section.

(2) The **[**commissioner**]** secretary may require any payer or provider entity that, for the performance year, is found to be a significant

contributor to health care cost growth in the state or has failed to meet the primary care spending target, to participate in such hearing. Each such payer or provider entity that is required to participate in such hearing shall provide testimony on issues identified by the **[**commissioner**]** secretary and provide additional information on actions taken to reduce such payer's or entity's contribution to future state-wide health care costs and expenditures or to increase such payer's or provider entity's primary care spending as a percentage of total medical expenses.

(3) The **[**commissioner**]** secretary may require that any other entity that is found to be a significant contributor to health care cost growth in this state during the performance year participate in such hearing. Any other entity that is required to participate in such hearing shall provide testimony on issues identified by the **[**commissioner**]** secretary and provide additional information on actions taken to reduce such other entity's contribution to future state-wide health care costs. If such other entity is a drug manufacturer, and the **[**commissioner**]** secretary requires that such drug manufacturer participate in such hearing with respect to a specific drug or class of drugs, such hearing may, to the extent possible, include representatives from at least one brand-name manufacturer, one generic manufacturer and one innovator company that is less than ten years old.

(4) Not later than October **[**15, 2023, and**]** fifteenth annually, **[**thereafter, the commissioner**]** the secretary shall prepare and submit a report, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to insurance and public health. Such report shall be based on the **[**commissioner's**]** secretary's analysis of the information submitted during the most recent informational public hearing conducted pursuant to this subsection and any other information that the **[**commissioner**]** secretary, in the **[**commissioner's**]** secretary's discretion,

deems relevant for the purposes of this section, and shall:

(A) Describe health care spending trends in this state, including, but not limited to, trends in primary care spending as a percentage of total medical expense, and the factors underlying such trends;

(B) Include the findings from the report prepared pursuant to subsection (b) of section 19a-754h;

(C) Describe a plan for monitoring any unintended adverse consequences resulting from the adoption of cost growth benchmarks and primary care spending targets and the results of any findings from the implementation of such plan; and

(D) Disclose the **[**commissioner's**]** secretary's recommendations, if any, concerning strategies to increase the efficiency of the state's health care system, including, but not limited to, any recommended legislation concerning the state's health care system.

(b) (1) Not later than June **[**30, 2024, and**]** thirtieth annually, **[**thereafter, the commissioner**]** the secretary shall hold an informational public hearing to compare the performance of payers and provider entities in the performance year to the quality benchmarks established for such year pursuant to section 19a-754g. Such hearing shall include an examination of:

(A) The report most recently prepared by the **[**commissioner**]** secretary pursuant to subsection (e) of section 19a-754h; and

(B) Any other matters that the **[**commissioner**]** secretary, in the **[**commissioner's**]** secretary's discretion, deems relevant for the purposes of this section.

(2) The **[**commissioner**]** secretary may require any payer or provider entity that failed to meet any health care quality benchmarks in this state

during the performance year to participate in such hearing. Each such payer or provider entity that is required to participate in such hearing shall provide testimony on issues identified by the **[**commissioner**]** secretary and provide additional information on actions taken to improve such payer's or provider entity's quality benchmark performance.

(3) Not later than October **[**15, 2024, and**]** fifteenth annually, **[**thereafter, the commissioner**]** the secretary shall prepare and submit a report, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to insurance and public health. Such report shall be based on the **[**commissioner's**]** secretary's analysis of the information submitted during the most recent informational public hearing conducted pursuant to this subsection and any other information that the **[**commissioner**]** secretary, in the **[**commissioner's**]** secretary's discretion, deems relevant for the purposes of this section, and shall:

(A) Describe health care quality trends in this state and the factors underlying such trends;

(B) Include the findings from the report prepared pursuant to subsection (e) of section 19a-754h; and

(C) Disclose the **[**commissioner's**]** secretary's recommendations, if any, concerning strategies to improve the quality of the state's health care system, including, but not limited to, any recommended legislation concerning the state's health care system.

Sec. 137. Section 19a-754k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management may adopt regulations, in accordance with chapter 54, to implement the provisions of **[**section 19a-754a and**]**

sections 19a-754f to 19a-754j, inclusive.

Sec. 138. Section 19a-755a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) As used in this section:

(1) "All-payer claims database" means a database that receives and stores data from a reporting entity relating to medical insurance claims, dental insurance claims, pharmacy claims and other insurance claims information from enrollment and eligibility files.

(2) (A) "Reporting entity" means:

(i) An insurer, as described in section 38a-1, licensed to do health insurance business in this state;

(ii) A health care center, as defined in section 38a-175;

(iii) An insurer or health care center that provides coverage under Part C or Part D of Title XVIII of the Social Security Act, as amended from time to time, to residents of this state;

(iv) A third-party administrator, as defined in section 38a-720;

(v) A pharmacy benefits manager, as defined in section 38a-479aaa;

(vi) A hospital service corporation, as defined in section 38a-199;

(vii) A nonprofit medical service corporation, as defined in section 38a-214;

(viii) A fraternal benefit society, as described in section 38a-595, that transacts health insurance business in this state;

(ix) A dental plan organization, as defined in section 38a-577;

(x) A preferred provider network, as defined in section 38a-479aa; and

(xi) Any other person that administers health care claims and payments pursuant to a contract or agreement or is required by statute to administer such claims and payments.

(B) "Reporting entity" does not include an employee welfare benefit plan, as defined in the federal Employee Retirement Income Security Act of 1974, as amended from time to time, that is also a trust established pursuant to collective bargaining subject to the federal Labor Management Relations Act.

(3) "Medicaid data" means the Medicaid provider registry, health claims data and Medicaid recipient data maintained by the Department of Social Services.

(4) "CHIP data" means the provider registry, health claims data and recipient data maintained by the Department of Social Services to administer the Children's Health Insurance Program.

(b) (1) There is established an all-payer claims database program. The Office of **[**Health Strategy**]** Policy and Management shall: (A) Oversee the planning, implementation and administration of the all-payer claims database program for the purpose of collecting, assessing and reporting health care information relating to safety, quality, cost-effectiveness, access and efficiency for all levels of health care; (B) ensure that data received is securely collected, compiled and stored in accordance with state and federal law; (C) conduct audits of data submitted by reporting entities in order to verify its accuracy; and (D) in consultation with the Health Information Technology Advisory Council established under section 17b-59f, maintain written procedures for the administration of such all-payer claims database. Any such written procedures shall include (i) reporting requirements for reporting entities, and (ii)

requirements for providing notice to a reporting entity regarding any alleged failure on the part of such reporting entity to comply with such reporting requirements.

(2) The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management shall seek funding from the federal government, other public sources and other private sources to cover costs associated with the planning, implementation and administration of the all-payer claims database program.

(3) (A) Upon the adoption of reporting requirements as set forth in subdivision (1) of this subsection, a reporting entity shall report health care information for inclusion in the all-payer claims database in a form and manner prescribed by the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management. The **[**commissioner**]** secretary may, after notice and hearing, impose a civil penalty on any reporting entity that fails to report health care information as prescribed. Such civil penalty shall not exceed one thousand dollars per day for each day of violation and shall not be imposed as a cost for the purpose of rate determination or reimbursement by a third-party payer.

(B) The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management may provide the name of any reporting entity on which such penalty has been imposed to the Insurance Commissioner. After consultation with the **[**Commissioner of Health Strategy**]** secretary, the Insurance Commissioner may request the Attorney General to bring an action in the superior court for the judicial district of Hartford to recover any penalty imposed pursuant to subparagraph (A) of this subdivision.

(4) The Commissioner of Social Services shall submit Medicaid and CHIP data to the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management for inclusion in the all-payer claims database only for purposes related to administration of the State

Medicaid and CHIP Plans, in accordance with 42 CFR 431.301 to 42 CFR 431.306, inclusive.

(5) The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management shall: (A) Utilize data in the all-payer claims database to provide health care consumers in the state with information concerning the cost and quality of health care services for the purpose of allowing such consumers to make economically sound and medically appropriate health care decisions; and (B) make data in the all-payer claims database available to any state agency, insurer, employer, health care provider, consumer of health care services or researcher for the purpose of allowing such person or entity to review such data as it relates to health care utilization, costs or quality of health care services. If health information, as defined in 45 CFR 160.103, as amended from time to time, is permitted to be disclosed under the Health Insurance Portability and Accountability Act of 1996, P.L. 104-191, as amended from time to time, or regulations adopted thereunder, any disclosure thereof made pursuant to this subdivision shall have identifiers removed, as set forth in 45 CFR 164.514, as amended from time to time. Any disclosure made pursuant to this subdivision of information other than health information shall be made in a manner to protect the confidentiality of such other information as required by state and federal law. The **[**Commissioner of Health Strategy**]** secretary may set a fee to be charged to each person or entity requesting access to data stored in the all-payer claims database.

(6) The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management may (A) in consultation with the All-Payer Claims Database Advisory Group set forth in section 17b-59f, enter into a contract with a person or entity to plan, implement or administer the all-payer claims database program, (B) enter into a contract or take any action that is necessary to obtain data that is the same data required to be submitted by reporting entities under Medicare Part A or Part B, (C)

enter into a contract for the collection, management or analysis of data received from reporting entities, and (D) in accordance with subdivision (4) of this subsection, enter into a contract or take any action that is necessary to obtain Medicaid and CHIP data. Any such contract for the collection, management or analysis of such data shall expressly prohibit the disclosure of such data for purposes other than the purposes described in this subsection.

(c) Unless otherwise specified, nothing in this section and no action taken by the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management pursuant to this section or section 19a-755b shall be construed to preempt, supersede or affect the authority of the Insurance Commissioner to regulate the business of insurance in the state.

Sec. 139. Section 19a-755b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) For purposes of this section and sections 19a-904a, 19a-904b and 38a-477d to 38a-477f, inclusive:

(1) "Allowed amount" means the maximum reimbursement dollar amount that an insured's health insurance policy allows for a specific procedure or service;

(2) "Consumer health information Internet web site" means an Internet web site developed and operated by the Office of **[**Health Strategy**]** Policy and Management to assist consumers in making informed decisions concerning their health care and informed choices among health care providers;

(3) "Episode of care" means all health care services related to the treatment of a condition or a service category for such treatment and, for acute conditions, includes health care services and treatment provided from the onset of the condition to its resolution or a service

category for such treatment and, for chronic conditions, includes health care services and treatment provided over a given period of time or a service category for such treatment;

[(4) "Commissioner" means the Commissioner of Health Strategy;**]**

[(5)**]** (4) "Health care provider" means any individual, corporation, facility or institution licensed by this state to provide health care services;

[(6)**]** (5) "Health carrier" means any insurer, health care center, hospital service corporation, medical service corporation, fraternal benefit society or other entity delivering, issuing for delivery, renewing, amending or continuing any individual or group health insurance policy in this state providing coverage of the type specified in subdivisions (1), (2), (4), (11) and (12) of section 38a-469;

[(7)**]** (6) "Hospital" has the same meaning as provided in section 19a-490;

[(8)**]** (7) "Out-of-pocket costs" means costs that are not reimbursed by a health insurance policy and includes deductibles, coinsurance and copayments for covered services and other costs to the consumer associated with a procedure or service;

[(9)**]** (8) "Outpatient surgical facility" has the same meaning as provided in section 19a-493b; **[**and**]**

[(10)**]** (9) "Public or private third party" means the state, the federal government, employers, a health carrier, third-party administrator, as defined in section 38a-720, or managed care organization; and

(10) "Secretary" means the Secretary of the Office of Policy and Management.

(b) (1) Within available resources, the consumer health information

Internet web site shall: (A) Contain information comparing the quality, price and cost of health care services, including, to the extent practicable, (i) comparative price and cost information for the health care services and procedures reported pursuant to subsection (c) of this section categorized by payer or listed by health care provider, (ii) links to Internet web sites and consumer tools where consumers may obtain comparative cost and quality information, including The Joint Commission and Medicare hospital compare tool, (iii) definitions of common health insurance and medical terms so consumers may compare health coverage and understand the terms of their coverage, and (iv) factors consumers should consider when choosing an insurance product or provider group, including provider network, premium, cost sharing, covered services and tier information; (B) be designed to assist consumers and institutional purchasers in making informed decisions regarding their health care and informed choices among health care providers and, to the extent practicable, provide reference pricing for services paid by various health carriers to health care providers; (C) present information in language and a format that is understandable to the average consumer; and (D) be publicized to the general public. All information outlined in this section shall be posted on an Internet web site established, or to be established, by the **[**Commissioner of Health Strategy**]** secretary in a manner and time frame as may be organizationally and financially reasonable in **[**his or her**]** the secretary's sole discretion.

(2) Information collected, stored and published by the Office of **[**Health Strategy**]** Policy and Management pursuant to this section is subject to the federal Health Insurance Portability and Accountability Act of 1996, P.L. 104-191, as amended from time to time.

(3) The **[**Commissioner of Health Strategy**]** secretary may consider adding quality measures to the consumer health information Internet web site.

(c) Not later than January **[**1, 2018, and**]** first annually, **[**thereafter, the Commissioner of Health Strategy**]** the secretary shall, to the extent the information is available, make available to the public on the consumer health information Internet web site a list of: (1) The fifty most frequently occurring inpatient services or procedures in the state; (2) the fifty most frequently provided outpatient services or procedures in the state; (3) the twenty-five most frequent surgical services or procedures in the state; (4) the twenty-five most frequent imaging services or procedures in the state; and (5) the twenty-five most frequently used pharmaceutical products and medical devices in the state. Such lists may (A) be expanded to include additional admissions and procedures, (B) be based upon those services and procedures that are most commonly performed by volume or that represent the greatest percentage of related health care expenditures, or (C) be designed to include those services and procedures most likely to result in out-of-pocket costs to consumers or include bundled episodes of care.

(d) Not later than January **[**1, 2018, and**]** first annually, **[**thereafter,**]** to the extent practicable, the **[**Commissioner of Health Strategy**]** secretary shall issue a report, in a form and manner prescribed by the **[**commissioner**]** secretary, that includes the (1) billed and allowed amounts paid to health care providers in each health carrier's network for each service and procedure included pursuant to subsection (c) of this section, and (2) out-of-pocket costs for each such service and procedure.

(e) (1) **[**On and after January 1, 2018, each**]** Each hospital shall, at the time of scheduling a service or procedure for nonemergency care that is included in the report prepared by the **[**Commissioner of Health Strategy**]** secretary pursuant to subsection (d) of this section, regardless of the location or setting where such services are delivered, notify the patient of the patient's right to make a request for cost and quality information. Upon the request of a patient for a diagnosis or procedure

included in such report, the hospital shall, not later than three business days after scheduling such service or procedure, provide written notice, electronically or by mail, to the patient who is the subject of the service or procedure concerning: (A) If the patient is uninsured, the amount to be charged for the service or procedure if all charges are paid in full without a public or private third party paying any portion of the charges, including the amount of any facility fee, or, if the hospital is not able to provide a specific amount due to an inability to predict the specific treatment or diagnostic code, the estimated maximum allowed amount or charge for the service or procedure, including the amount of any facility fee; (B) the corresponding Medicare reimbursement amount or, if there is no corresponding Medicare reimbursement amount for such diagnosis or procedure, (i) the approximate amount Medicare would have paid the hospital for the services on the billing statement, or (ii) the percentage of the hospital's charges that Medicare would have paid the hospital for the services; (C) if the patient is insured, the allowed amount, the toll-free telephone number and the Internet web site address of the patient's health carrier where the patient can obtain information concerning charges and out-of-pocket costs; (D) The Joint Commission's composite accountability rating and the Medicare hospital compare star rating for the hospital, as applicable; and (E) the Internet web site addresses for The Joint Commission and the Medicare hospital compare tool where the patient may obtain information concerning the hospital.

(2) If the patient is insured and the hospital is out-of-network under the patient's health insurance policy, such written notice shall include a statement that the service or procedure will likely be deemed out-of-network and that any out-of-network applicable rates under such policy may apply.

Sec. 140. Subsection (b) of section 19a-911 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1,*

2026):

(b) The Council on Protecting Women's Health shall be comprised of (1) the following ex-officio voting members: (A) The Commissioner of Public Health, or the commissioner's designee; (B) the Commissioner of Mental Health and Addiction Services, or the commissioner's designee; (C) the Insurance Commissioner, or the commissioner's designee; (D) **[**the Commissioner of Health Strategy, or the commissioner's designee; (E)**]** the Healthcare Advocate, or the Healthcare Advocate's designee; and **[**(F)**]** (E) the Secretary of the Office of Policy and Management, or the secretary's designee; and (2) fourteen public members, three of whom shall be appointed by the president pro tempore of the Senate, three of whom shall be appointed by the speaker of the House of Representatives, two of whom shall be appointed by the majority leader of the Senate, two of whom shall be appointed by the majority leader of the House of Representatives, two of whom shall be appointed by the minority leader of the Senate and two of whom shall be appointed by the minority leader of the House of Representatives, and all of whom shall be knowledgeable on issues relative to women's health care in the state. The membership of the council shall fairly and adequately represent women who have had issues accessing quality health care in the state.

Sec. 141. Subsections (b) and (c) of section 20-195ttt of the 2026 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) There is established within the **[**Office of Health Strategy**]** Department of Public Health a Community Health Worker Advisory Body. Said body shall (1) advise **[**said office and the Department of Public Health**]** the department on matters relating to the educational and certification requirements for training programs for community health workers, including the minimum number of hours and internship requirements for certification of community health workers,

(2) conduct a continuous review of such educational and certification programs, and (3) provide the department with a list of approved educational and certification programs for community health workers.

(c) The Commissioner of **[**Health Strategy**]** Public Health, or the commissioner's designee, shall act as the chair of the Community Health Worker Advisory Body and shall appoint the following members to said body:

(1) Six members who are actively practicing as community health workers in the state;

(2) A member of the Community Health Workers Association of Connecticut or any successor or comparable professional organization that represents community health workers in the state;

(3) A representative of a community-based community health worker training organization;

(4) A representative of the Connecticut State Community College;

(5) An employer of community health workers;

(6) A representative of a health care organization that employs community health workers; and

(7) A health care provider who works directly with community health workers. **[**; and**]**

[(8) The Commissioner of Public Health, or the commissioner's designee.**]**

Sec. 142. Subsection (b) of section 28-33 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

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

(1) Two appointed by the speaker of the House of Representatives, one of whom has expertise in prescription drug supply chains and one of whom has expertise in federal law concerning prescription drug shortages;

(2) Two appointed by the president pro tempore of the Senate, one of whom represents hospitals and one of whom represents health care providers who treat patients with rare diseases;

(3) One appointed by the majority leader of the House of Representatives, who represents one of the two federally recognized Indian tribes in the state;

(4) One appointed by the majority leader of the Senate, who represents one of the two federally recognized Indian tribes in the state;

(5) One appointed by the minority leader of the House of Representatives, who represents health insurance companies;

(6) One appointed by the minority leader of the Senate, who is a representative of the Connecticut Health Insurance Exchange;

[(7) The Commissioner of Health Strategy, or the commissioner's designee;**]**

[(8)**]** (7) The Commissioner of Consumer Protection, or the commissioner's designee;

[(9)**]** (8) The Commissioner of Social Services, or the commissioner's designee;

[(10)**]** (9) The Commissioner of Public Health, or the commissioner's designee;

[(11)**]** (10) The chief executive officer of The University of Connecticut Health Center, or the chief executive officer's designee;

[(12)**]** (11) The Insurance Commissioner, or the commissioner's designee;

[(13)**]** (12) The Commissioner of Economic and Community Development, or the commissioner's designee; and

[(14)**]** (13) Any other members as deemed necessary by the chairpersons of the task force.

Sec. 143. Subsections (e) to (g), inclusive, of section 33-182bb of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(e) Any medical foundation organized on or after July 1, 2009, shall file a copy of its certificate of incorporation and any amendments to its certificate of incorporation with the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health not later than ten business days after the medical foundation files such certificate of incorporation or amendment with the Secretary of the State pursuant to chapter 602.

(f) Any medical group clinic corporation formed under chapter 594 of the general statutes, revision of 1958, revised to 1995, which amends its certificate of incorporation pursuant to subsection (a) of section 33-182cc, shall file with the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health a copy of its certificate of incorporation and any amendments to its certificate of incorporation, including any amendment to its certificate of incorporation that complies with the requirements of subsection (a) of section 33-182cc, not later than ten business days after the medical foundation files its certificate of incorporation or any amendments to its certificate of incorporation with the Secretary of the State.

(g) Any medical foundation, regardless of when organized, shall file notice with the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health and the Secretary of the State of its liquidation, termination, dissolution or cessation of operations not later than ten business days after a vote by its board of directors or members to take such action. A medical foundation shall, annually, provide the office with (1) a statement of its mission, (2) the name and address of the organizing members, (3) the name and specialty of each physician employed by or acting as an agent of the medical foundation, (4) the location or locations where each such physician practices, (5) a description of the services provided at each such location, (6) a description of any significant change in its services during the preceding year, (7) a copy of the medical foundation's governing documents and bylaws, (8) the name and employer of each member of the board of directors, and (9) other financial information as reported on the medical foundation's most recently filed Internal Revenue Service return of organization exempt from income tax form, or any replacement form adopted by the Internal Revenue Service, or, if such medical foundation is not required to file such form, information substantially similar to that required by such form. The Health Systems Planning Unit shall make such forms and information available to members of the public and accessible on said unit's Internet web site.

Sec. 144. Subdivisions (2) and (3) of subsection (a) of section 38a-47 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(2) The amount appropriated to the Office of **[**Health Strategy**]** Policy and Management from the Insurance Fund for the fiscal year, **[**including the cost of fringe benefits for office personnel as estimated by the Comptroller,**]** which shall be reduced by the amount of federal reimbursement received for allowable Medicaid administrative expenses;

(3) The expenditures made on behalf of the department and said offices from the Capital Equipment Purchase Fund pursuant to section 4a-9 for such year, but excluding such estimated expenditures made on behalf of the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health; and

Sec. 145. Subsections (b) to (f), inclusive, of section 38a-48 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) On or before July thirty-first, annually, the Insurance Commissioner shall render to each domestic insurance company or other domestic entity liable for payment under section 38a-47:

(1) A statement that includes (A) the amount appropriated to the Insurance Department, the Office of the Healthcare Advocate and the Office of **[**Health Strategy**]** Policy and Management from the Insurance Fund established under section 38a-52a for the fiscal year beginning July first of the same year, (B) the cost of fringe benefits for department and office personnel for such year, as estimated by the Comptroller, (C) the estimated expenditures on behalf of the department and the offices from the Capital Equipment Purchase Fund pursuant to section 4a-9 for such year, not including such estimated expenditures made on behalf of the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health, and (D) the amount appropriated to the Department of Aging and Disability Services for the fall prevention program established in section 17a-859 from the Insurance Fund for the fiscal year;

(2) A statement of the total amount of taxes reported in the annual statement rendered to the Insurance Commissioner pursuant to subsection (a) of this section; and

(3) The proposed assessment against that company or entity,

calculated in accordance with the provisions of subsection (c) of this section, provided for the purposes of this calculation the amount appropriated to the Insurance Department, the Office of the Healthcare Advocate and the Office of **[**Health Strategy**]** Policy and Management from the Insurance Fund plus the cost of fringe benefits for department and office personnel and the estimated expenditures on behalf of the department and said offices from the Capital Equipment Purchase Fund pursuant to section 4a-9, not including such expenditures made on behalf of the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health shall be deemed to be the actual expenditures of the department and said offices, and the amount appropriated to the Department of Aging and Disability Services from the Insurance Fund for the fiscal year for the fall prevention program established in section 17a-859 shall be deemed to be the actual expenditures for the program.

(c) (1) The proposed assessments for each domestic insurance company or other domestic entity shall be calculated by (A) allocating twenty per cent of the amount to be paid under section 38a-47 among the domestic entities organized under sections 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, in proportion to their respective shares of the total amount of taxes reported in the annual statement rendered to the Insurance Commissioner pursuant to subsection (a) of this section, and (B) allocating eighty per cent of the amount to be paid under section 38a-47 among all domestic insurance companies and domestic entities other than those organized under sections 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, in proportion to their respective shares of the total amount of taxes reported in the annual statement rendered to the Insurance Commissioner pursuant to subsection (a) of this section, provided if there are no domestic entities organized under sections 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, at the time of assessment, one hundred per cent of the amount to be paid under

section 38a-47 shall be allocated among such domestic insurance companies and domestic entities.

(2) When the amount any such company or entity is assessed pursuant to this section exceeds twenty-five per cent of the actual expenditures of the Insurance Department, the Office of the Healthcare Advocate and the Office of **[**Health Strategy**]** Policy and Management from the Insurance Fund, such excess amount shall not be paid by such company or entity but rather shall be assessed against and paid by all other such companies and entities in proportion to their respective shares of the total amount of taxes reported in the annual statement rendered to the Insurance Commissioner pursuant to subsection (a) of this section, except that for purposes of any assessment made to fund payments to the Department of Public Health to purchase vaccines, such company or entity shall be responsible for its share of the costs, notwithstanding whether its assessment exceeds twenty-five per cent of the actual expenditures of the Insurance Department, the Office of the Healthcare Advocate and the Office of **[**Health Strategy**]** Policy and Management from the Insurance Fund. The provisions of this subdivision shall not be applicable to any corporation that has converted to a domestic mutual insurance company pursuant to section 38a-155 upon the effective date of any public act that amends said section to modify or remove any restriction on the business such a company may engage in, for purposes of any assessment due from such company on and after such effective date.

(d) Each annual payment determined under section 38a-47 and each annual assessment determined under this section shall be calculated based on the total amount of taxes reported in the annual statement rendered to the Insurance Commissioner pursuant to subsection (a) of this section.

(e) On or before September first, annually, for each fiscal year, the Insurance Commissioner, after receiving any objections to the proposed

assessments and making such adjustments as in the commissioner's opinion may be indicated, shall assess each such domestic insurance company or other domestic entity an amount equal to its proposed assessment as so adjusted. Each domestic insurance company or other domestic entity shall pay to the Insurance Commissioner (1) on or before June thirtieth, annually, an estimated payment against its assessment for the following year equal to twenty-five per cent of its assessment for the fiscal year ending such June thirtieth, (2) on or before September thirtieth, annually, twenty-five per cent of its assessment adjusted to reflect any credit or amount due from the preceding fiscal year as determined by the commissioner under subsection (f) of this section, and (3) on or before the following December thirty-first and March thirty-first, annually, each domestic insurance company or other domestic entity shall pay to the Insurance Commissioner the remaining fifty per cent of its proposed assessment to the department in two equal installments.

(f) If the actual expenditures for the fall prevention program established in section 17a-859 are less than the amount allocated, the Commissioner of Aging and Disability Services shall notify the Insurance Commissioner. Immediately following the close of the fiscal year, the Insurance Commissioner shall recalculate the proposed assessment for each domestic insurance company or other domestic entity in accordance with subsection (c) of this section using the actual expenditures made during the fiscal year by the Insurance Department, the Office of the Healthcare Advocate and the Office of **[**Health Strategy**]** Policy and Management from the Insurance Fund, the actual expenditures made on behalf of the department and said offices from the Capital Equipment Purchase Fund pursuant to section 4a-9, not including such expenditures made on behalf of the Health Systems Planning Unit of the **[**Office of Health Strategy**]** Department of Public Health, and the actual expenditures for the fall prevention program. On or before July thirty-first, annually, the Insurance Commissioner shall

render to each such domestic insurance company and other domestic entity a statement showing the difference between their respective recalculated assessments and the amount they have previously paid. On or before August thirty-first, the Insurance Commissioner, after receiving any objections to such statements, shall make such adjustments that in the commissioner's opinion may be indicated, and shall render an adjusted assessment, if any, to the affected companies. Any such domestic insurance company or other domestic entity may pay to the Insurance Commissioner the entire assessment required under this subsection in one payment when the first installment of such assessment is due.

Sec. 146. Subsection (a) of section 38a-477e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) **[**On and after January 1, 2017, each**]** Each health carrier, as defined in section 19a-755b, shall maintain an Internet web site and toll-free telephone number that enables consumers to request and obtain: (1) Information on in-network costs for inpatient admissions, health care procedures and services, including (A) the allowed amount for, at a minimum, admissions and procedures reported to the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management pursuant to section 19a-755b for each health care provider in the state; (B) the estimated out-of-pocket costs that a consumer would be responsible for paying for any such admission or procedure that is medically necessary, including any facility fee, coinsurance, copayment, deductible or other out-of-pocket expense; and (C) data or other information concerning (i) quality measures for the health care provider, (ii) patient satisfaction, to the extent such information is available, (iii) a directory of participating providers, as defined in section 38a-472f, in accordance with the provisions of section 38a-477h; and (2) information on out-of-network costs for inpatient admissions,

health care procedures and services.

Sec. 147. Subdivision (2) of subsection (c) of section 38a-477ee of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(2) The Attorney General **[**,**]** and Healthcare Advocate. **[**and Commissioner of Health Strategy.**]**

Sec. 148. Subdivisions (13) to (17), inclusive, of subsection (c) of section 38a-1083 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(13) Make and enter into any contract or agreement necessary or incidental to the performance of its duties and execution of its powers, including, but not limited to, an agreement with the Office of **[**Health Strategy**]** Policy and Management to use funds collected under this section for the operation of the all-payer claims database established under section 19a-755a and to receive data from such database. The contracts entered into by the exchange shall not be subject to the approval of any other state department, office or agency, provided copies of all contracts of the exchange shall be maintained by the exchange as public records, subject to the proprietary rights of any party to the contract, except any agreement with the Office of **[**Health Strategy**]** Policy and Management shall be subject to approval by said office **[**and the Office of Policy and Management**]** and no portion of such agreement shall be considered proprietary;

(14) To the extent permitted under its contract with other persons, consent to any termination, modification, forgiveness or other change of any term of any contractual right, payment, royalty, contract or agreement of any kind to which the exchange is a party;

(15) Award grants to trained and certified individuals and institutions that will assist individuals, families and small employers

and their employees in enrolling in appropriate coverage through the exchange. Applications for grants from the exchange shall be made on a form prescribed by the board;

(16) Limit the number of plans offered, and use selective criteria in determining which plans to offer, through the exchange, provided individuals and employers have an adequate number and selection of choices;

(17) Evaluate **[**jointly with the Health Care Cabinet established pursuant to section 19a-725**]** the feasibility of implementing a basic health program option as set forth in Section 1331 of the Affordable Care Act;

Sec. 149. Subdivision (26) of section 38a-1084 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(26) Consult with the Commissioner of Social Services, Insurance Commissioner and Office of **[**Health Strategy, established under section 19a-754a**]** Policy and Management for the purposes set forth in section 19a-754c;

Sec. 150. Subsection (d) of section 3-123ddd of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(d) Nothing in sections 3-123aaa to 3-123hhh, inclusive, 19a-654, **[**19a-725,**]** 19a-755a, 38a-513f or 38a-513g shall diminish any right to retiree health insurance pursuant to a collective bargaining agreement or any other provision of the general statutes.

Sec. 151. Subsection (b) of section 3-123hhh of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) Nothing in this section or sections 3-123aaa to 3-123ggg, inclusive, 19a-654, **[**19a-725,**]** 19a-755a, 38a-513f or 38a-513g shall modify the state employee plan in any way without the written consent of the State Employees Bargaining Agent Coalition and the Secretary of the Office of Policy and Management.

Sec. 152. (NEW) (*Effective July 1, 2026*) (a) The Department of Public Health shall constitute a successor agency, in accordance with the provisions of sections 4-38d, 4-38e and 4-39 of the general statutes, to the Office of Health Strategy with respect to all functions, powers and duties of the Office of Health Strategy concerning (1) the Health Systems Planning Unit established pursuant to section 19a-612 of the general statutes, and (2) the certificate of need process set forth in sections 19a-638 to 19a-641, inclusive, of the general statutes. Any order, decision, agreed settlement or regulation of the former Office of Health Strategy concerning any of the functions described in subdivisions (1) and (2) of this subsection that is in force on July 1, 2026, shall continue in force and effect as an order, decision, agreed settlement or regulation of the Department of Public Health until amended, repealed or superseded pursuant to law. Where any order, decision, agreed settlement or regulation of said department and said former office conflict, the Commissioner of Public Health may implement policies and procedures consistent with the provisions of chapters 368v and 368z of the general statutes while in the process of adopting the policies or procedures in regulation form, provided the commissioner shall publish notice of intention to adopt regulations on the Department of Public Health's Internet web site and the eRegulations System not later than twenty days after implementation of such policies and procedures. Any such policies or procedures shall be valid until such regulations are adopted.

(b) If the words "Office of Health Strategy" or "Commissioner of Health Strategy" are used or referred to in any public or special act of 2026, or in any section of the general statutes that is amended in 2026

that concerns said office's or commissioner's functions with regard to (1) the Health Systems Planning Unit established pursuant to section 19a-612 of the general statutes, or (2) the certificate of need process set forth in sections 19a-638 to 19a-641, inclusive, of the general statutes, such words shall be deemed to mean or refer to the Department of Public Health or the Commissioner of Public Health, respectively.

Sec. 153. (NEW) (*Effective July 1, 2026*) (a) The Office of Policy and Management shall constitute a successor agency, in accordance with the provisions of sections 4-38d, 4-38e and 4-39 of the general statutes, to the Office of Health Strategy with respect to all functions, powers and duties of the Office of Health Strategy concerning (1) the State-wide Health Information Exchange, established pursuant to section 17b-59d of the general statutes, (2) the all-payer claims database program, established pursuant to section 19a-755a of the general statutes, (3) the development, publication and modification of health care cost growth benchmarks and health care quality benchmarks required pursuant to sections 19a-754f to 19a-754k, inclusive, of the general statutes, and (4) contracts and memoranda of understanding or agreement related to funding from the American Rescue Plan Act of 2021. Any order, decision, agreed settlement or regulation of the former Office of Health Strategy concerning any of the functions described in subdivisions (1) to (3), inclusive, of this subsection that is in force on July 1, 2026, shall continue in force and effect as an order, decision, agreed settlement or regulation of the Office of Policy and Management until amended, repealed or superseded pursuant to law. Where any order, decision, agreed settlement or regulation of said offices conflict, the Secretary of the Office of Policy and Management may implement policies and procedures consistent with the provisions of part III of chapter 319o and chapter 368ee of the general statutes while in the process of adopting the policies or procedures in regulation form, provided the secretary shall publish notice of intention to adopt regulations on the Office of Policy and Management's Internet web site and the eRegulations System not

later than twenty days after implementation of such policies and procedures. Any such policy or procedure shall be valid until such regulations are adopted.

(b) If the words "Office of Health Strategy" or "Commissioner of Health Strategy" are used or referred to in any public or special act of 2026, or in any section of the general statutes that is amended in 2026 that concerns said office's or commissioner's functions with regard to (1) the State-wide Health Information Exchange, established pursuant to section 17b-59d of the general statutes, (2) the all-payer claims database program, established pursuant to section 19a-755a of the general statutes, or (3) the development, publication and modification of health care cost growth benchmarks and health care quality benchmarks required pursuant to sections 19a-754f to 19a-754k, inclusive, of the general statutes, such words shall be deemed to mean or refer to the Office of Policy and Management or the Secretary of the Office of Policy and Management, respectively.

Sec. 154. (NEW) (*Effective July 1, 2026*) (a) The Department of Social Services shall constitute a successor agency, in accordance with the provisions of sections 4-38d, 4-38e and 4-39 of the general statutes, to the Office of Health Strategy with respect to all functions, powers and duties of the Office of Health Strategy concerning hospital financial health reporting by hospitals pursuant to section 19a-486j of the general statutes. Any order, decision, agreed settlement or regulation of the former Office of Health Strategy concerning such functions that is in force on July 1, 2026, shall continue in force and effect as an order, decision, agreed settlement or regulation of the Department of Social Services until amended, repealed or superseded pursuant to law. Where any order, decision, agreed settlement or regulation of said offices conflict, the Commissioner of Social Services may implement policies and procedures consistent with the provisions of part III of chapter 319o and chapter 368ee of the general statutes while in the process of

adopting the policies or procedures in regulation form, provided the commissioner shall publish notice of intention to adopt regulations on the Department of Social Services' Internet web site and the eRegulations System not later than twenty days after implementation of such policies and procedures. Any such policy or procedure shall be valid until such regulations are adopted.

(b) If the words "Office of Health Strategy" or "Commissioner of Health Strategy" are used or referred to in any public or special act of 2026, or in any section of the general statutes that is amended in 2026 that concerns said office's or commissioner's functions with regard to hospital financial health reporting by hospitals pursuant to section 19a-486j of the general statutes, such terms shall be deemed to mean or refer to the Department of Social Services or the Commissioner of Social Services, respectively.

Sec. 155. (NEW) (*Effective July 1, 2026*) (a) The Office of the Healthcare Advocate shall constitute a successor agency, in accordance with the provisions of sections 4-38d, 4-38e and 4-39 of the general statutes, to the Office of Health Strategy with respect to all functions, powers and duties of the Office of Health Strategy concerning community benefit program reporting by hospitals pursuant to section 19a-127k of the general statutes. Any order, decision, agreed settlement or regulation of the former Office of Health Strategy concerning such functions that is in force on July 1, 2026, shall continue in force and effect as an order, decision, agreed settlement or regulation of the Office of the Healthcare Advocate until amended, repealed or superseded pursuant to law. Where any order, decision, agreed settlement or regulation of said offices conflict, the Office of the Healthcare Advocate may implement policies and procedures consistent with the provisions of part III of chapter 319o and chapter 368ee of the general statutes while in the process of adopting the policies or procedures in regulation form, provided the Healthcare Advocate shall publish notice of intention to

adopt regulations on the Office of the Healthcare Advocate's Internet web site and the eRegulations System not later than twenty days after implementation of such policies and procedures. Any such policy or procedure shall be valid until such regulations are adopted.

(b) If the words "Office of Health Strategy" or "Commissioner of Health Strategy" are used or referred to in any public or special act of 2026, or in any section of the general statutes that is amended in 2026 that concerns said office's or commissioner's functions with regard to community benefit program reporting by hospitals pursuant to section 19a-127k of the general statutes, such terms shall be deemed to mean or refer to the Office of the Healthcare Advocate or the Healthcare Advocate, respectively.

Sec. 156. Section 19a-2a of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The Commissioner of Public Health shall employ the most efficient and practical means for the prevention and suppression of disease and shall administer all laws under the jurisdiction of the Department of Public Health and the Public Health Code. The commissioner shall have responsibility for the overall operation and administration of the Department of Public Health. The commissioner shall have the power and duty to: (1) Administer, coordinate and direct the operation of the department; (2) adopt and enforce regulations, in accordance with chapter 54, as are necessary to carry out the purposes of the department as established by statute; (3) establish rules for the internal operation and administration of the department; (4) establish and develop programs and administer services to achieve the purposes of the department as established by statute; (5) enter into a contract, including, but not limited to, a contract with another state, for facilities, services and programs to implement the purposes of the department as established by statute; (6) designate a deputy commissioner or other

employee of the department to sign any license, certificate or permit issued by said department; (7) conduct a hearing, issue subpoenas, administer oaths, compel testimony and render a final decision in any case when a hearing is required or authorized under the provisions of any statute dealing with the Department of Public Health; (8) with the health authorities of this and other states, secure information and data concerning the prevention and control of epidemics and conditions affecting or endangering the public health, and compile such information and statistics and shall disseminate among health authorities and the people of the state such information as may be of value to them; (9) annually issue a list of reportable diseases, emergency illnesses and health conditions and a list of reportable laboratory findings and amend such lists as the commissioner deems necessary and distribute such lists as well as any necessary forms to each licensed physician, licensed physician assistant, licensed advanced practice registered nurse and clinical laboratory in this state. The commissioner shall prepare printed forms for reports and returns, with such instructions as may be necessary, for the use of directors of health, boards of health and registrars of vital statistics; **[**and**]** (10) specify uniform methods of keeping statistical information by public and private agencies, organizations and individuals, including a client identifier system, and collect and make available relevant statistical information, including the number of persons treated, frequency of admission and readmission, and frequency and duration of treatment. The client identifier system shall be subject to the confidentiality requirements set forth in section 17a-688 and regulations adopted thereunder; and (11) direct and oversee the Health Systems Planning Unit, established under section 19a-612 and all of its duties and responsibilities concerning the certificate of need process as set forth in chapter 368z. The commissioner may designate any person to perform any of the duties listed in subdivision (7) of this section. The commissioner shall have authority over directors of health and may, for cause, remove any such director; but any person claiming to be

aggrieved by such removal may appeal to the Superior Court which may affirm or reverse the action of the commissioner as the public interest requires. The commissioner shall assist and advise local directors of health and district directors of health in the performance of their duties, and may require the enforcement of any law, regulation or ordinance relating to public health. In the event the commissioner reasonably suspects impropriety on the part of a local director of health or district director of health, or employee of such director, in the performance of his or her duties, the commissioner shall provide notification and any evidence of such impropriety to the appropriate governing authority of the municipal health authority, established pursuant to section 19a-200, or the district department of health, established pursuant to section 19a-244, for purposes of reviewing and assessing a director's or an employee's compliance with such duties. Such governing authority shall provide a written report of its findings from the review and assessment to the commissioner not later than ninety days after such review and assessment. When requested by local directors of health or district directors of health, the commissioner shall consult with them and investigate and advise concerning any condition affecting public health within their jurisdiction. The commissioner shall investigate nuisances and conditions affecting, or that he or she has reason to suspect may affect, the security of life and health in any locality and, for that purpose, the commissioner, or any person authorized by the commissioner, may enter and examine any ground, vehicle, apartment, building or place, and any person designated by the commissioner shall have the authority conferred by law upon constables. Whenever the commissioner determines that any provision of the general statutes or regulation of the Public Health Code is not being enforced effectively by a local health department or health district, he or she shall forthwith take such measures, including the performance of any act required of the local health department or health district, to ensure enforcement of such statute or regulation and shall inform the local health department or health district of such measures. In

September of each year the commissioner shall certify to the Secretary of the Office of Policy and Management the population of each municipality. The commissioner may solicit and accept for use any gift of money or property made by will or otherwise, and any grant of or contract for money, services or property from the federal government, the state, any political subdivision thereof, any other state or any private source, and do all things necessary to cooperate with the federal government or any of its agencies in making an application for any grant or contract. The commissioner may enter into any contracts or agreements, in accordance with any established procedures, as may be necessary for the distribution or use of such money, services or property in accordance with any requirements to fulfill any conditions of a gift, grant or contract. The commissioner may establish state-wide and regional advisory councils. For purposes of this section, "employee of such director" means an employee of, a consultant employed or retained by or an independent contractor retained by a local director of health, a district director of health, a local health department or a health district.

Sec. 157. Section 4-66 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The Secretary of the Office of Policy and Management shall have the following functions and powers:

(1) To keep on file information concerning the state's general accounts;

(2) To furnish all accounting statements relating to the financial condition of the state as a whole, to the condition and operation of state funds, to appropriations, to reserves and to costs of operations;

(3) To furnish such statements as and when they are required for administrative purposes and, at the end of each fiscal period, to prepare and publish such financial statements and data as will convey to the

General Assembly the essential facts as to the financial condition, the revenues and expenditures and the costs of operations of the state government;

(4) To furnish to the State Comptroller on or before the twentieth day of each month cumulative monthly statements of revenues and expenditures to the end of the last-completed month together with (A) a statement of estimated revenue by source to the end of the fiscal year, at least in the same detail as appears in the budget act, and (B) a statement of appropriation requirements of the state's General Fund to the end of the fiscal year itemized as far as practicable for each budgeted agency, including estimates of lapsing appropriations, unallocated lapsing balances and unallocated appropriation requirements;

(5) To transmit to the Office of Fiscal Analysis a copy of monthly position data and monthly bond project run;

(6) To inquire into the operation of, and make or recommend improvement in, the methods employed in the preparation of the budget and the procedure followed in determining whether the funds expended by the departments, boards, commissions and institutions supported in whole or in part by the state are wisely, judiciously and economically expended and to submit such findings and recommendations to the General Assembly at each regular session, together with drafts of proposed legislation, if any;

(7) To examine each department, state college, state hospital, state-aided hospital, reformatory and prison and each other institution or other agency supported in whole or in part by the state, except public schools, for the purpose of determining the effectiveness of its policies, management, internal organization and operating procedures and the character, amount, quality and cost of the service rendered by each such department, institution or agency;

(8) To recommend, and to assist any such department, institution or agency to effect, improvements in organization, management methods and procedures and to report its findings and recommendations and submit drafts of proposed legislation, if any, to the General Assembly at each regular session;

(9) To consider and devise ways and means whereby comprehensive plans and designs to meet the needs of the several departments and institutions with respect to physical plant and equipment and whereby financial plans and programs for the capital expenditures involved may be made in advance and to make or assist in making such plans;

(10) To devise and prescribe the form of operating reports that shall be periodically required from the several departments, boards, commissions, institutions and agencies supported in whole or in part by the state;

(11) To require the several departments, boards, commissions, institutions and agencies to make such reports for such periods as said secretary may determine; **[**and**]**

(12) To verify the correctness of, and to analyze, all such reports and to take such action as may be deemed necessary to remedy unsatisfactory conditions disclosed by such reports;

(13) To (A) coordinate the state's health information technology initiatives, (B) seek funding for and oversee the planning, implementation and development of policies and procedures for the administration of the all-payer claims database program established under section 19a-775a, (C) establish and maintain a consumer health information Internet web site under section 19a-755b, and (D) designate an unclassified individual from the office to perform the duties of a health information technology officer as set forth in sections 17b-59f and 17b-59g; and

(14) To (A) set an annual health care cost growth benchmark and primary care spending target pursuant to section 19a-754g, (B) develop and adopt health care quality benchmarks pursuant to section 19a-754g, (C) develop strategies, in consultation with stakeholders, to meet such benchmarks and targets developed pursuant to section 19a-754g, (D) enhance the transparency of provider entities, as defined in subdivision (13) of section 19a-754f, (E) monitor the development of accountable care organizations and patient-centered medical homes in the state, and (F) monitor the adoption of alternative payment methodologies in the state.

Sec. 158. Subsection (a) of section 17b-3 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) The Commissioner of Social Services shall administer all law under the jurisdiction of the Department of Social Services. The commissioner shall have the power and duty to do the following: (1) Administer, coordinate and direct the operation of the department; (2) adopt and enforce such regulations, in accordance with chapter 54, as are necessary to implement the purposes of the department as established by statute; (3) establish rules for the internal operation and administration of the department; (4) establish and develop programs and administer services to achieve the purposes of the department as established by statute; (5) enter into a contract, including, but not limited to, up to five contracts with other states, for facilities, services and programs to implement the purposes of the department as established by statute; (6) process applications and requests for services promptly; (7) with the approval of the Comptroller and in accordance with such procedures as may be specified by the Comptroller, make payments to providers of services for individuals who are eligible for benefits from the department as appropriate; (8) make no duplicate awards for items of assistance once granted, except for replacement of lost or stolen checks on which payment has been stopped; (9) promote economic self-

sufficiency where appropriate in the department's programs, policies, practices and staff interactions with recipients; (10) act as advocate for the need of more comprehensive and coordinated programs for persons served by the department; (11) plan services and programs for persons served by the department; (12) coordinate outreach activities by public and private agencies assisting persons served by the department; (13) consult and cooperate with area and private planning agencies; (14) advise and inform municipal officials and officials of social service agencies about social service programs and collect and disseminate information pertaining thereto, including information about federal, state, municipal and private assistance programs and services; (15) encourage and facilitate effective communication and coordination among federal, state, municipal and private agencies; (16) inquire into the utilization of state and federal government resources which offer solutions to problems of the delivery of social services; (17) conduct, encourage and maintain research and studies relating to social services development; (18) prepare, review and encourage model comprehensive social service programs; (19) maintain an inventory of data and information and act as a clearing house and referral agency for information on state and federal programs and services; **[**and**]** (20) conduct, encourage and maintain research and studies and advise municipal officials and officials of social service agencies about forms of intergovernmental cooperation and coordination between public and private agencies designed to advance social service programs; (21) develop an annual summary and analysis of community benefit reporting by hospitals pursuant to section 19a-127k; and (22) receive reports from each hospital regarding its financial health pursuant to section 19a-486j. The commissioner may require notice of the submission of all applications by municipalities, any agency thereof, and social service agencies, for federal and state financial assistance to carry out social services. The commissioner shall establish state-wide and regional advisory councils.

Sec. 159. Section 38a-477jj of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) For the purposes of this section:

(1) "Affordable Care Act" has the same meaning as provided in section 38a-1080;

(2) "Exchange" has the same meaning as provided in section 38a-1080;

(3) "Health benefit plan" has the same meaning as provided in section 38a-1080, except that such term shall not include a grandfathered health plan as such term is used in the Affordable Care Act;

(4) "Health carrier" has the same meaning as provided in section 38a-1080;

(5) "Office of Health Strategy" means the Office of Health Strategy established under section 19a-754a; and

(6) "Qualified health plan" has the same meaning as provided in section 38a-1080.

(b) Notwithstanding any provision of the general statutes and except as provided in subsection (c) of this section, no health carrier offering a health benefit plan in this state on or after January 1, 2022, that includes a pharmacy benefit and uses a drug formulary or list of covered drugs may:

(1) Remove a prescription drug from the drug formulary or list of covered drugs during a plan year; or

(2) Move a prescription drug from a cost-sharing tier that imposes a lesser coinsurance, copayment or deductible for the prescription drug to a cost-sharing tier that imposes a greater coinsurance, copayment or deductible for the prescription drug during a plan year, unless the

prescription drug is subject to an in-network coinsurance, copayment or deductible that is not greater than forty dollars per prescription per month in any tier.

(c) A health carrier offering a health benefit plan in this state on or after January 1, 2022, that includes a pharmacy benefit and uses a drug formulary or list of covered drugs may:

(1) Remove a prescription drug from the drug formulary or list of covered drugs, upon at least ninety days' advance notice to a covered person and the covered person's treating physician, if:

(A) The federal Food and Drug Administration issues an announcement, guidance, notice, warning or statement concerning the prescription drug that calls into question the clinical safety of the prescription drug, unless the covered person's treating physician states, in writing, that the prescription drug remains medically necessary despite such announcement, guidance, notice, warning or statement; or

(B) The prescription drug is approved by the federal Food and Drug Administration for use without a prescription; and

(2) Move a brand-name prescription drug from a cost-sharing tier that imposes a lesser coinsurance, copayment or deductible for the brand-name prescription drug to a cost-sharing tier that imposes a greater coinsurance, copayment or deductible for the brand-name prescription drug if the health carrier adds to the drug formulary or list of covered drugs a generic prescription drug that is:

(A) Approved by the federal Food and Drug Administration for use as an alternative to such brand-name prescription drug; and

(B) In a cost-sharing tier that imposes a coinsurance, copayment or deductible for the generic prescription drug that is lesser than the coinsurance, copayment or deductible that is imposed for such brand-

name prescription drug.

(d) Nothing in this section shall prevent or prohibit a health carrier from adding a prescription drug to a formulary or list of covered drugs at any time.

[(e) (1) The Office of Health Strategy shall, at least annually, conduct a study to determine the impact that the requirements established in subsections (a) to (d), inclusive, of this section have on the cost of health benefit plans offered, delivered, issued for delivery, renewed, amended or continued in this state and qualified health plans offered and sold through the exchange.

(2) Not later than January 31, 2023, and annually thereafter, the Office of Health Strategy shall submit a report, in accordance with the provisions of section 11-4a, to the commissioner and the joint standing committee of the General Assembly having cognizance of matters relating to insurance. Such report shall disclose the results of the study conducted pursuant to subdivision (1) of this subsection for the preceding year.**]**

Sec. 160. Sections 19a-754a and 19a-754e of the 2026 supplement to the general statutes are repealed. (*Effective July 1, 2026*)

Sec. 161. Sections 19a-725 and 20-195sss of the general statutes are repealed. (*Effective July 1, 2026*)

Sec. 162. Section 10 of public act 26-41 is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) Any individual may, at any time, deliver or surrender any firearm, as defined in section 53a-3 of the general statutes, as amended by **[**this act**]** public act 26-41, or ammunition in the possession of such individual to the Commissioner of Emergency Services and Public Protection for a period of not less than fourteen days, provided a local police

department may accept such firearm or ammunition on behalf of said commissioner. The commissioner or local police department shall exercise due care in the receipt and holding of such firearm or ammunition.

(b) An individual who delivers or surrenders a firearm or ammunition to the Commissioner of Emergency Services and Public Protection or a local police department may request the return of such firearm or ammunition on or after the fifteenth day after the date of such delivery or surrender, but not later than **[**two years**]** one year after such date. Such request shall include a completed and signed form promulgated pursuant to subsection (b) of section **[**502 of this act**]** 11 of public act 26-41.

(c) Not later than five days after receiving a request pursuant to subsection (b) of this section, the commissioner or a local police department shall review the request and make available for retrieval any firearm or ammunition to such individual, provided the commissioner or local police department confirms that such individual (1) submitted the signed form required pursuant to subsection (b) of this section, (2) is not otherwise disqualified from possessing such firearm or ammunition, and (3) was legally entitled to possess such firearm or ammunition at the time of delivery or surrender to the commissioner or a local police department. If such firearm or ammunition has not been collected by the individual at the end of the **[**two-year**]** one-year period immediately following the date of delivery or surrender of such firearm or ammunition, the commissioner or a local police department, as applicable, shall cause such firearm or ammunition to be destroyed. Not later than ninety days prior to such destruction, the commissioner or local police department, as applicable, shall notify, in writing, the individual who delivered or surrendered the firearm or ammunition of the date of such destruction.

Sec. 163. Section 11 of public act 26-41 is repealed and the following

is substituted in lieu thereof (*Effective from passage*):

(a) Not later than thirty days after the effective date of this section, the Commissioner of Emergency Services and Public Protection shall, within available appropriations, provide written notification of the provisions of section **[**501 of this act**]** 10 of public act 26-41, by posting the notification on the Department of Emergency Services and Public Protection's Internet web site. Such notification shall include directions concerning how an individual who delivers or surrenders any firearm, as defined in section 53a-3 of the general statutes, as amended by **[**this act**]** public act 26-41, or ammunition in the possession of such individual to the Commissioner of Emergency Services and Public Protection for a period of not less than fourteen days, may on or after the fifteenth day after the date of such delivery or surrender, but not later than **[**two years**]** one year after such date, request the return of such firearm or ammunition, and which requirements the individual must satisfy in order to have such firearm or ammunition returned to such person. Such notice shall also provide that such firearm or ammunition shall be destroyed if not collected by the individual before the end of the **[**two-year**]** one-year period immediately following the date of delivery or surrender of a firearm or ammunition.

(b) On or before October 1, **[**2027**]** 2026, the Commissioner of Emergency Services and Public Protection shall promulgate and make available on the Department of Emergency Services and Public Protection's Internet web site a form to be signed by any individual who is seeking the return of a firearm or ammunition pursuant to section **[**501 of this act**]** 10 of public act 26-41.

Sec. 164. Section 32-664 of the general statutes is amended by adding subsection (m) as follows (*Effective July 1, 2026*):

(NEW) (m) Whenever an environmental use restriction, as defined in section 22a-133n, is required by section 22a-133k or 22a-134tt or by the

regulations that implement such sections, or any authorization or approval issued pursuant thereto, on land within the Adriaen's Landing site, such requirement may be satisfied by complying with the provisions of subdivision (1) this subsection.

(1) Soil and groundwater impacted by releases of pollution may be managed in place provided:

(A) Each owner of a parcel within the Adriaen's Landing site on or under which such soil or groundwater is located records an affidavit of facts on the land records of the city of Hartford. Such affidavit shall include statements indicating that (i) there is polluted soil, groundwater or both on or under the parcel, and (ii) that any person who disturbs such soil or groundwater for any purpose shall return the soil to the approximate location and depth from which it was removed or properly dispose of such soil or groundwater in accordance with all relevant state and federal laws;

(B) A notice is sent by such owner to all governmental authorities and public service companies, as defined in section 16-1, that are reasonably expected to own, use or maintain electric, natural gas, sewer, steam or other utility infrastructure located on, over or under the portion of the Adriaen's Landing site where such soil or groundwater will be managed in place pursuant to this subdivision. Such notice shall include a copy of the affidavit of facts recorded pursuant to this subdivision; and

(C) If the soil or groundwater on the site is isolated from direct exposure by a membrane, layer or other barrier, the presence of such barrier shall be identified in the affidavit of facts recorded pursuant to this subdivision, and such membrane, layer or other barrier shall not be removed, breached or otherwise damaged without such person first receiving prior approval from the Capital Region Development Authority, which approval shall not be unreasonably withheld. Any membrane, layer or other barrier that is removed, breached or otherwise

damaged by such person shall be repaired or replaced by such person, as soon as reasonably practicable, provided measures to mitigate the risk of direct exposure to, or the migration of, pollution shall be implemented by such person until the repair or replacement of such membrane, layer or other barrier is completed.

(2) The Capital Region Development Authority shall prepare, in consultation with the Commissioner of Energy and Environmental Protection, a protocol to be used by any person disturbing soil or groundwater on or under the Adriaen's Landing site that is managed pursuant to this subsection. Such protocol shall set forth a process for the provision of notice of any such disturbance and best management practices for properly managing such soil or groundwater. The authority shall post such protocol on its Internet website. Such protocol shall be identified in the affidavit of facts recorded pursuant to subdivision (1) of this subsection.

(3) The Capital Region Development Authority shall perform, or cause to be performed, an annual inspection of any portion of the Adrien's Landing site where soil or groundwater is managed pursuant to this subsection by a licensed environmental professional, as defined in section 22a-133v. Such inspection shall include a physical inspection to determine compliance with any approvals or authorizations issued pursuant to section 22a-133k or 22a-134tt and the regulations that implement such sections and a review of records to verify compliance with any recordkeeping or monitoring required by such approvals or authorizations. If such annual inspection identifies conditions contrary to those conditions required by any approval or authorization, the authority shall notify the Commissioner of Energy and Environmental Protection and provide a proposed schedule for correcting such condition.

(4) Nothing in this subsection shall be construed to prohibit any person from exercising any existing right to dig, excavate or disturb soil

in the Adrien's Landing site provided such person performs such activity in a manner that protects human health and the environment and is consistent with the provisions of this subsection. The failure to perform any activity in a manner that is consistent with the provisions of this subsection may result in the creation of a condition reasonably expected to pollute the waters of the state.

Sec. 165. Section 17a-714a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For purposes of this section, (1) "opioid antagonist" means naloxone hydrochloride or any other similarly acting and equally safe drug approved by the federal Food and Drug Administration for the treatment of drug overdose, and (2) "person" has the same meaning as provided in section 21a-240.

(b) A licensed health care professional who is permitted by law to prescribe an opioid antagonist may prescribe or dispense an opioid antagonist to any individual to treat or prevent a drug overdose without being liable for damages in a civil action or subject to criminal prosecution for prescribing or dispensing such opioid antagonist or for any subsequent use of such opioid antagonist. A licensed health care professional who prescribes or dispenses an opioid antagonist in accordance with the provisions of this subsection shall be deemed not to have violated the standard of care for such licensed health care professional.

(c) A licensed health care professional may administer an opioid antagonist to any person to treat or prevent an opioid-related drug overdose. Such licensed health care professional who administers an opioid antagonist in accordance with the provisions of this subsection shall not be liable for damages in a civil action or subject to criminal prosecution for administration of such opioid antagonist and shall not be deemed to have violated the standard of care for such licensed health

care professional.

(d) (1) Any person may provide a nonlegend opioid antagonist to any person for the purposes of treating or preventing an opioid-related drug overdose. Any person that distributes such a nonlegend opioid antagonist in accordance with the provisions of this subsection shall not be liable for payments or damages in a claim or civil action or subject to criminal prosecution for such distribution or use of such nonlegend opioid antagonist.

(2) Any person who solely distributes a nonlegend opioid antagonist to the public, without compensation or consideration, shall not be required to obtain a permit pursuant to the provisions of section 20-624.

[(d)**]** (e) Any person who in good faith believes that another person is experiencing an opioid-related drug overdose may, if acting with reasonable care, administer an opioid antagonist to such other person. Any person, other than a licensed health care professional acting in the ordinary course of such person's employment, who administers an opioid antagonist in accordance with this subsection shall not be liable for damages in a civil action or subject to criminal prosecution with respect to the administration of such opioid antagonist.

[(e)**]** (f) Not later than October 1, 2017, each municipality shall amend its local emergency medical services plan, as described in section 19a-181b, to ensure that at least one emergency medical services provider, as defined in the regulations of Connecticut state agencies pertaining to emergency medical services, who is likely to be the first person to arrive on the scene of a medical emergency in the municipality, including, but not limited to, emergency medical services personnel, as defined in section 20-206jj, or a resident state trooper, is equipped with an opioid antagonist and such person has received training, approved by the Commissioner of Public Health, in the administration of an opioid antagonist.

Sec. 166. Section 15-120h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

As used in sections 15-120g to 15-120o, inclusive, the following terms **[**shall**]** have the following meanings:

(1) "Airport project" means any acquisition, disposition, demolition, remediation, construction, renovation, repair, replacement, expansion, environmental remediation or other development of real property or improvements that is related to an airport facility or access to an airport facility, including (A) the acquisition of off-airport land required by a permitting agency, (B) for purposes of a runway, a taxilane, a hanger, a depot, an apron, a mezzanine, baggage handling, administration, maintenance, storage, utilities or parking, (C) furniture, fixtures, equipment, communication, navigation, safety infrastructure and systems and other personal property which is reasonably necessary to acquire in connection with such development, and (D) associated interest, reserve fund deposits and other financing costs and charges necessary or incident to the development, financing, completion and placement in operation of any airport project, owned in its entirety by the authority, or suitable for use by the authority, in accordance with the purposes of the authority;

[(1)**]** (2) "Authority" means the Tweed-New Haven Airport Authority, as created under section 15-120i;

(3) "Bonds" means bonds of the authority issued under the provisions of this chapter, including refunding bonds, which may be secured by mortgages or the full faith and credit of the authority, the full faith and credit of a participating corporation or any other lawfully pledged security of the authority or a participating corporation, which may include, but need not be limited to, the revenues from the airport or a financing project.

(4) "Cost" in relation to an airport project or any portion of an airport project financed under the provision of this chapter, includes all or any part of the cost of (A) construction and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements, permits, licenses and other interests of any kind which may be owned, held, possessed, transferred, assigned or otherwise acquired or used for an airport project, including the acquisition of off-airport land; (B) demolishing, renovation, expanding or removing any buildings or other structures on acquired land, including the cost of acquiring land upon which such buildings or structures may be moved; (C) environmental remediation; (D) all machinery, equipment, repairs or improvements to other public or private property or infrastructure that is necessary for, incident to or a condition for, the construction, placement or use of airport infrastructure; (E) the payment of offset, impact or compensatory fees or payments for the use of, modifications to or disruption of, public or private properties, adverse impact upon the environment or the health, safety or welfare of the general public, finance charges, interest prior to, during and for a period after, completion of construction, working capital, reserves for principal and interest, extensions, enlargements, additions, replacements, renovations and improvements; (F) engineering, financial and legal services, designs, plans, studies, surveys, inspections, testing, regulatory compliance and certifications, estimates of cost and of revenues, project management, administrative expense, expenses necessary to determine the feasibility or practicability of constructing the airport project; and (G) other expenses necessary or incident to the construction, financing or operation of the airport project;

(5) "Federally guaranteed security" means any security, investment or evidence of indebtedness which is either directly or indirectly insured or guaranteed, in whole or in part, concerning the payment of principal and interest by the United States or any agency or instrumentality thereof;

(6) "Financing project" means the leasing, licensing, operation of an airport project and any other activity or property for which the authority is authorized to issue bonds or provide financing under the provisions of this chapter;

(7) "Participating corporation" means any corporation, partnership, limited liability company, limited liability partnership, limited partnership, nonprofit organization, specially chartered corporation or similar type of legal business entity, quasi-public authority or governmental entity;

[(2)**]** (8) "Procedure" means each statement, by the authority, of general applicability, without regard to its designation, that implements or prescribes law or policy or describes the organization or procedure of the authority**,** **[**. The term**]** including, but not limited to, bylaws. "Procedure" includes the amendment or repeal of a prior regulation, but does not include, unless otherwise provided by any provision of the general statutes, (A) statements concerning only the internal management of the authority and not affecting procedures available to the public**,** and (B) intra-authority memoranda;

[(3)**]** (9) "Proposed procedure" means a proposal by the authority under the provisions of section 15-120k for a new procedure or for a change in, addition to or repeal of an existing procedure.

Sec. 167. (NEW) (*Effective July 1, 2026*) (a) Notwithstanding any provision of the general statutes, upon certification by the Secretary of the Office of Policy and Management to the Treasurer that a passenger terminal facility located on the side of the Tweed-New Haven Airport that is adjacent to the town of East Haven and designed to support scheduled and charter commercial airline flights, including no fewer than two thousand one hundred parking spaces, has opened and is operational, and annually thereafter until such passenger terminal facility ceases to operate, the Treasurer shall make the following

payments in lieu of taxes on behalf of the state:

(1) Four million four hundred thousand dollars to the town of East Haven; and

(2) Two million nine hundred thousand dollars to the city of New Haven.

(b) The payments made pursuant to subsection (a) of this section shall be in addition to any state grant in lieu of taxes otherwise payable to the town of East Haven or the city of New Haven pursuant to any provision of the general statutes.

Sec. 168. Section 15-120i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) There is created a body politic and corporate to be known as the "Tweed-New Haven Airport Authority". Said authority shall be a public instrumentality and political subdivision of this state and the exercise by the authority of the powers conferred by sections 15-120g to 15-120o, inclusive, shall be deemed and held to be the performance of an essential public and governmental function. The Tweed-New Haven Airport Authority shall not be construed to be a department, institution or agency of the state.

(b) (1) The authority shall be governed by a board of directors consisting of fifteen members, each member serving not more than two consecutive four-year terms. The terms of the members shall be staggered so that not more than four members' terms shall expire at the same time.

(2) Until thirty days after the issuance of a building permit in accordance with subdivision (3) of this subsection, the membership of the board shall be appointed as follows: Eight members of the board shall be appointed by the mayor of New Haven and five members shall

be appointed by the mayor of East Haven, at least six of whom shall be residents of New Haven or East Haven. Two members of the board shall be appointed by the South Central Regional Council of Governments, each of whom shall be a resident of any of the following towns or cities: Bethany, Branford, Guilford, Hamden, Madison, Milford, North Branford, North Haven, Orange, Wallingford, West Haven or Woodbridge. **[**The board of directors shall elect a chairperson from among its members and shall annually elect one of its members as vice-chairperson and shall elect other members as officers, and establish bylaws as necessary for the operation of the authority. Members of the board of directors shall receive no compensation for the performance of their duties. No member of the board shall have any financial interest in Tweed-New Haven Airport or any of its tenants or concessions.**]**

(3) Thirty days after the issuance by the local building official and fire marshal of a building permit to construct a passenger terminal facility located on the side of the Tweed-New Haven Airport that is adjacent to the town of East Haven and designed to support scheduled and charter commercial airline flights, including no fewer than two thousand one hundred parking spaces, the membership of the board shall be appointed as follows: Eight members of the board shall be appointed by the mayor of New Haven and seven members shall be appointed by the mayor of East Haven, at least six of whom shall be residents of New Haven or East Haven. Any member appointed by the South Central Regional Council of Governments pursuant to subdivision (2) of this subsection and serving at the time of the issuance of such permit shall continue to serve until such time as the initial appointment of the two additional members appointed by the mayor of East Haven under this subdivision.

[(c)**]** (4) The **[**thirteen**]** fifteen members of the board of directors appointed by the mayors of New Haven and East Haven shall be special directors vested with additional powers set forth in the bylaws of the

Tweed-New Haven Airport Authority.

(c) The board of directors shall elect a chairperson from among its members and shall annually elect one of its members as vice-chairperson and shall elect other members as officers, and establish bylaws as necessary for the operation of the authority. Members of the board of directors shall receive no compensation for the performance of their duties. No member of the board shall have any financial interest in Tweed-New Haven Airport or any of its tenants or concessions.

(d) The powers of the authority shall be vested in and exercised by the board. Eight members of the board shall constitute a quorum and the affirmative vote of a majority of the members present at a meeting of the board shall be sufficient for any action taken by the board, except as provided in subsection (e) of this section and sections 15-120j and 15-120k. No vacancy in the membership of the board shall impair the right of a quorum to exercise all the rights and perform all the duties of the board. Any action taken by the board may be authorized by resolution at any regular or special meeting and shall take effect immediately unless otherwise provided in the resolution. Notice of any meeting, whether special or regular, shall be given orally, not less than forty-eight hours prior to the meeting. The board may delegate to three or more of its members, or its officers, agents and employees, such board powers and duties as it may deem proper.

(e) Notwithstanding any other provision of the general statutes, upon the issuance of a building permit to construct a passenger terminal facility located on the side of the Tweed-New Haven Airport that is adjacent to the town of East Haven and designed to support scheduled and charter commercial airline flights, including no fewer than two thousand one hundred parking spaces, the following actions shall require the affirmative vote of at least ten members of the board, unless such actions are required to comply with applicable federal law, including mandatory conditions of grants of the Federal Aviation

Administration, the airport operating certificate, safety or security directives or any action necessary to maintain safe airport operations:

(1) Any extension of Runway 2-20 of the airport exceeding six thousand six hundred thirty-five linear feet;

(2) Construction of any new facility, or the structural conversion of any existing airport facility, for the purpose of providing or enabling freight and cargo services;

(3) Any expansion project that increases the operational capacity, passenger capacity, gate or landing position capacity or increases use of airport facilities within the town of East Haven, excluding any project that is part of, and consistent with, the terminal expansion project approved by the authority prior to such permit issuance, including all associated supporting infrastructure necessary to complete such terminal expansion project;

(4) Any addition, material modification or closing of any airport entrances or exits;

(5) Any lease agreement or renewal of a lease agreement pertaining to general aviation services, including the addition of any fixed base operations;

(6) Any amendment to provisions of a lease or other agreement or renewal of a lease or other agreement, for private operation or management of the airport that would impact (A) cargo or freight operations, the construction of a facility or modification of existing facilities to accommodate such operations, (B) community benefits, including, but not limited to, mitigation payments paid by the private operator, (C) operation of parking at the West Terminal and access to such terminal, and (D) the acquisition of additional property; and

(7) The repeal or reduction of noise mitigation or abatement measures

previously approved by the board.

[(e)**]** (f) The authority shall have perpetual succession and shall adopt procedures for the conduct of its affairs in accordance with section 15-120k. Such succession shall continue as long as the authority shall have obligations outstanding and until the existence of the authority is terminated by law at which time the rights and properties of the authority shall pass to and be vested in the city of New Haven.

Sec. 169. Section 15-120j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) The authority shall maintain and improve Tweed-New Haven Airport as an important economic development asset for the south central Connecticut region which is comprised of the towns and cities of Bethany, Branford, East Haven, Guilford, Hamden, Madison, Milford, New Haven, North Branford, North Haven, Orange, Wallingford, West Haven and Woodbridge. The authority shall have the following powers and duties and may exercise such powers in its own name:

(1) To manage, maintain, supervise and operate Tweed-New Haven Airport;

(2) **[**do**]** To do all things necessary to maintain working relationships with the state, municipalities and persons, and conduct the business of a regional airport, in accordance with applicable statutes and regulations;

(3) **[**to**]** To charge reasonable fees for the services it performs and modify, reduce or increase such fees, provided fees shall apply uniformly to all airport users;

(4) **[**to**]** To enter into contracts, leases and agreements for goods and equipment and for services with airlines, concessions, counsel, engineers, architects, private consultants and advisors;

(5) **[**to**]** To contract for the construction, reconstruction, enlargement or alteration of airport projects with private persons and firms in accordance with such terms and conditions as the authority shall determine;

(6) **[**to**]** To make plans and studies in conjunction with the Federal Aviation Administration or other state or federal agencies;

(7) **[**to**]** To apply for and receive grant funds for airport purposes;

(8) **[**to**]** To plan and enter into contracts with municipalities, the state, businesses and other entities to finance the operations and debt of the airport, including compensation to the host municipalities of New Haven and East Haven for the use of the land occupied by the airport;

(9) **[**to**]** To borrow funds for airport purposes for such consideration and upon such terms as the authority may determine to be reasonable;

(10) **[**to**]** To employ a staff necessary to carry out its functions and purposes and fix the duties, compensation and benefits of such staff;

(11) **[**to**]** To issue and sell bonds and to use the proceeds of such bonds for capital improvements to the airport and to provide for the financing of financing projects, and to fund or refund such projects;

(12) **[**to**]** To acquire, lease and sell property **[**by purchase or lease**]** for airport purposes, subject to applicable requirements of federal law and regulation;

(13) To own, operate, lease, assign, pledge, sell or dispose of personal property of any kind for airport purposes, including, but not limited to, securities, rights and privileges in contract or at law, insurance, security and trade fixtures;

(14) To fix, revise from time to time, charge and collect rates, rents, fees and charges for the use of and services furnished or to be furnished

by a financing project or a portion of a financing project and to enter into a contract with any person, public or private, concerning such project;

(15) To make loans to any participating corporation for purposes of providing financing for a financing project in accordance with any agreement between the authority and such corporation;

(16) To acquire and agree to acquire any federally guaranteed security and pledge or use such security in a manner that the authority determines in its best interest to secure or as a source of repayment on any of its bonds, notes or other obligation or to agree to make a loan to a participating corporation for purposes of acquiring any federally guaranteed security;

(17) To enter into any contract or series of contracts that the authority deems to be necessary or appropriate concerning the bonds, notes or other obligations of the authority;

[(13) to**]** (18) To prepare and issue budgets, reports, procedures, audits and such other materials as may be necessary and desirable to its purposes; **[**and**]**

(19) To accept from any public agency, as defined in section 1-200, insurance, loans or grants for purposes of a financing project or any portion of such project and to receive loans, grants or other assistance, including money, property or services, from any source provided any such assistance is used only for the purposes which such assistance is granted;

(20) To invest any funds not needed for immediate use or disbursement, in reserve funds, federally guaranteed securities or in the state, including the Short Term Investment Fund created under section 3-27a, Medium-Term Investment Fund created under section 3-28a or other securities, obligations or investments described in a trust agreement or resolution providing for the issuance of bond funds;

(21) To charge and equitably apportion administrative costs and expenses incurred by the authority in the exercise of the powers and duties of the authority among participating corporations; and

[(14) to**]** (22) To exercise all other powers granted to such an authority by law.

(b) The authority shall have full control of the operation and management of the airport, including land, buildings and easements by means of a lease to the authority by the city of New Haven and the town of East Haven.

[(c) Notwithstanding the provisions of subsections (a) and (b) of this section, Runway 2-20 of the airport shall not exceed the existing paved runway length of five thousand six hundred linear feet.**]**

(c) The authority may undertake a financing project for two or more participating corporations jointly and may structure such financing as a single project or as related components thereof. In such cases, all provisions of this section and sections 15-120h to 15-120o, inclusive, shall apply to and for the benefit of the authority and such participating corporations.

Sec. 170. Section 15-120*l* of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) The board of directors of the authority is authorized from time to time to issue its bonds, notes and other obligations in such principal amounts as in the opinion of the board shall be necessary to provide sufficient funds for carrying out the purposes set forth in sections 15-120g to 15-120o, inclusive, including the payment, funding or refunding of the principal of, or interest or redemption premiums on, any bonds, notes and other obligations issued by it whether the bonds, notes or other obligations or interest to be funded or refunded have or have not become due, the establishment of reserves to secure such bonds, notes

and other obligations and all other expenditures of the authority incident to and necessary or convenient to carry out the purposes set forth in said sections. In anticipation of the sale of such bonds, the authority may issue negotiable bond anticipation notes and may renew the same from time to time. Such notes shall be paid from any revenues of the authority or other moneys available to the authority and not otherwise pledged, or from the proceeds of the sale of the bonds of the authority in anticipation of which they were issued. Such notes and any resolution authorizing such notes may contain any provisions, conditions or limitations that a resolution authorizing bonds may contain.

(b) Except as otherwise expressly provided in sections 15-120g to 15-120o, inclusive, or by the board, every issue of bonds, notes or other obligations, shall be a general obligation of the authority payable out of any moneys or revenues of the authority subject only to any agreements with the holders of particular bonds, notes or other obligations pledging any particular moneys or revenues, which may be subject to any applicable agreements with a participating corporation for any bonds issued on behalf of a participating corporation. Any such bonds, notes or other obligations may be additionally secured by any grant or contributions from any department, agency or instrumentality of the United States or person or a pledge of any moneys, income or revenues of the authority from any source whatsoever. Bonds issued by the authority under the provisions of this chapter are securities (1) in which all public officers and public bodies of the state and the political subdivisions of the state, insurance companies, state banks and trust companies, national banking associations, savings banks, savings and loan associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, and (2) which may properly and legally be deposited with and received by any state or municipal officer, state agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations

of the state is authorized by law.

(c) Any provision of any law to the contrary notwithstanding, any bonds, notes or other obligations issued by the authority pursuant to sections 15-120g to 15-120o, inclusive, shall be fully negotiable within the meaning and for all purposes of title 42a. Any such bonds, notes or other obligations shall be legal investments for all trust companies, banks, investment companies, savings banks, building and loan associations, executors, administrators, guardians, conservators, trustees and other fiduciaries and pension, profit-sharing and retirement funds.

(d) Bonds, notes or other obligations of the authority shall be authorized by resolution of the board of directors of the authority and may be issued in one or more series and shall bear such date or dates, mature at such time or times, in the case of any such bond or note, or any renewal thereof, not exceeding the term of years as the board shall determine from the date of the original issue of such bond or notes, **[**and, in the case of bonds, not exceeding thirty years from the date thereof,**]** bear interest at such rate or rates, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable **[**from such sources in such medium of payment**]** in any lawful money of the United States at such place or places within or without this state, and be subject to such terms of redemption, with or without premium, as such resolution or resolutions may provide.

(e) Bonds, notes or other obligations of the authority may be sold at public or private sale at such price or prices as the **[**board**]** authority shall determine. The board may by resolution delegate to the chairperson or vice-chairperson of the board, the executive director or another officer of the authority the power to fix the date of sale of bonds, to receive bids or proposals, to award and sell bonds and to take all other necessary

actions to sell and deliver bonds. The exercise of such delegated powers shall be subject to the approval of the board in accordance with the provisions of subsection (d) of section 15-120i. The authority may issue interim receipts or certificates while preparing the definitive bonds and shall exchange such receipts or certificates for the definitive bonds.

(f) Bonds, notes or other obligations of the authority may be refunded and renewed from time to time as may be determined by resolution of the board, provided any such refunding or renewal shall be in conformity with any rights of the holders thereof.

(g) Bonds, notes or other obligations of the authority issued under the provisions of sections 15-120g to 15-120o, inclusive, shall not be deemed to constitute a debt or liability of the state or of any political subdivision thereof other than the authority or a pledge of the faith and credit of the state or of any such political subdivision other than the authority, and shall not constitute bonds or notes issued or guaranteed by the state within the meaning of section 3-21, but shall be payable solely from the funds herein provided therefor. All such bonds, notes or other obligations shall contain on the face thereof a statement to the effect that neither the state of Connecticut nor any political subdivision thereof other than the authority shall be obligated to pay the same or the interest thereof except from revenues or other funds of the authority and that neither the faith and credit nor the taxing power of the state of Connecticut or of any political subdivision thereof other than the authority is pledged to the payment of the principal of or the interest on such bonds, notes or other obligations. The authority may issue revenue bonds for the benefit of a participating corporation in accordance with the provisions of sections 15-120g to 15-120o, inclusive, provided there is an agreement with the holder of such bonds that in no event shall the authority be liable for the repayment of such revenue bonds from any revenue or assets of the authority other than any assets pledged for such bonds, regardless of whether such assets shall revert to the authority.

(h) Any resolution authorizing the issuance of bonds, notes or other obligations may contain provisions, except as expressly limited in sections 15-120g to 15-120o, inclusive, and except as otherwise limited by existing agreements with the holders of bonds, notes or other obligations, that shall be a part of the contract with the holders thereof, as to the following:

(1) The pledging of the full faith and credit of the authority, the full faith and credit of any participating corporation, all or any part of the **[**moneys received by the authority**]** revenues of a financing project or any revenue-producing contract made by the authority with any participating corporation, any federally guaranteed security and moneys received therefrom purchased with bond proceeds or all or any part of any other property, revenues, funds or legally available moneys to secure the payment of the principal of and interest on any bonds, notes or other obligations or of any issue thereof;

(2) **[**the**]** The pledging of all or part of the assets of the authority to secure the payment of the principal and interest on any bonds, notes or other obligations or of any issue thereof, including rental fees and other charges, and the amounts to be raised during each year, and the use and disposition of the revenues;

(3) **[**the**]** The establishment of reserves or sinking funds, the making of charges and fees to provide for the same, and the regulation and disposition thereof;

(4) **[**limitations**]** Limitations on the purpose to which the proceeds of sale of bonds, notes or other obligations may be applied and pledging such proceeds to secure the payment of the bonds, notes or other obligations, or of any issues thereof;

(5) **[**limitations**]** Limitations on the issuance of additional bonds, notes or other obligations; the terms upon which additional bonds, bond

anticipation notes or other obligations may be issued and secured **[**;**]** and the refunding or purchase of outstanding bonds, notes or other obligations of the authority;

(6) **[**the**]** The procedure, if any, by which the terms of any contract with the holders of any bonds, notes or other obligations of the authority may be amended or abrogated, the amount of bonds, notes or other obligations the holders of which must consent thereto, and the manner in which such consent may be given;

(7) **[**limitations**]** Limitations on the amount of moneys derived from the financing project to be expended **[**by the authority**]** for operating, administrative or other expenses of the authority;

(8) **[**the**]** The vesting in a trustee or trustees of such property, rights, powers and duties in trust as the authority may determine, which may include any or all of the rights, powers and duties of any trustee appointed by the holders of any bonds, notes or other obligations and limiting or abrogating the right of the holders of any bonds, notes or other obligations of the authority to appoint a trustee under this chapter or limiting the rights, powers and duties of such trustee;

(9) **[**provision**]** Provision for a trust agreement by and between the authority and a corporate trustee which may be any trust company or bank having the powers of a trust company within or without the state, which agreement may provide for the pledging or assigning of any assets or income from assets to which or in which the authority has any rights or interest, and may further provide for such other rights and remedies exercisable by the trustee as may be proper for the protection of the holders of any bonds, notes or other obligations of the authority and not otherwise in violation of law. Such trust agreement, resolution providing for the issuance of such bonds or other instrument of the authority may secure such bonds by a pledge or assignment of any revenues to be received, any contract or the proceeds of any contract or

any other property, revenues, moneys or funds available to the authority for such purpose. Such agreement may provide for the restriction of the rights of any individual holder of bonds, notes or other obligations of the authority or a financing project. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the cost of operation of the authority or of a financing project. The trust agreement may contain any further provisions which are reasonable to delineate further the respective rights, duties, safeguards, responsibilities and liabilities of the authority; individual and collective holders of bonds, notes and other obligations of the authority and the trustees;

(10) **[**covenants**]** Covenants to do or refrain from doing such acts and things as may be necessary or convenient or desirable in order to better secure any bonds, notes or other obligations of the authority, or which, in the discretion of the authority, will tend to make any bonds, notes or other obligations to be issued more marketable notwithstanding that such covenants, acts or things may not be enumerated **[**herein**]** in this section;

(11) Provisions permitting any participating corporation to enter into a leasehold mortgage of its leasehold interest in any financing project and the site thereof or to pledge or assign a loan agreement, conditional sale agreement, sale agreement or lease for the benefit of the holders of any bonds issued to finance such financing project; and

[(11) any**]** (12) Any other matters of like or different character, which in any way affect the security or protection of the bonds, notes or other obligations. All expenses incurred in carrying out the provisions of this chapter shall be payable solely from funds provided under the authority of this chapter and no liability or obligation shall be incurred by the authority under this section beyond the extent to which moneys have been provided in accordance with the provisions of this chapter.

(i) Any pledge made by the authority of income, revenues, or other property shall be valid and binding from the time the pledge is made, and shall constitute a pledge within the meaning and for all purposes of title 42a. The income, revenue, or other property so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and 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 authority, irrespective of whether such parties have notice thereof.

(j) The board of directors of the authority **[**is authorized and empowered to**]** may obtain from any department, agency or instrumentality of the United States any insurance or guarantee as to, or of or for the payment or repayment of, interest or principal, or both, or any part thereof, on any bonds, notes or other obligations issued by the authority pursuant to the provisions of sections 15-120g to 15-120o, inclusive, and, notwithstanding any other provisions of said sections, to enter into any agreement, contract or any other instrument whatsoever with respect to any such insurance or guarantee except to the extent that such action would in any way impair or interfere with the authority's ability to perform and fulfill the terms of any agreement made with the holders of the bonds, bond anticipation notes or other obligations of the authority.

(k) Neither the members of the board of directors of the authority nor any person executing bonds, notes or other obligations of the authority issued pursuant to sections 15-120g to 15-120o, inclusive, shall be liable personally on such bonds, notes or other obligations or be subject to any personal liability or accountability by reason of the issuance thereof, nor shall any director or employee of the authority be personally liable for damage or injury, not wanton, reckless, wilful or malicious, caused in the performance of his duties and within the scope of his employment or appointment as such director, officer or employee. The authority shall

protect, save harmless and indemnify its directors, officers or employees from financial loss and expense, including legal fees and costs, if any, arising out of any claim, demand, suit or judgment by reason of alleged negligence or alleged deprivation of any person's civil rights or any other act or omission resulting in damage or injury, if the director, officer or employee is found to have been acting in the discharge of his duties or within the scope of his employment and such act or omission is found not to have been wanton, reckless, wilful or malicious.

(l) The board of directors of the authority shall have power to purchase bonds, notes or other obligations of the authority out of any funds available therefor. The authority may hold, cancel or resell such bonds, notes or other obligations subject to and in accordance with agreements with holders of its bonds, notes and other obligations.

(m) All moneys received pursuant to the authority of sections 15-120g to 15-120o, inclusive, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in said sections. Any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes of sections 15-120g to 15-120o, inclusive, subject to such regulations as said sections and the resolution authorizing the bonds of any issue or the trust agreement securing such bonds may provide.

(n) Any holder of bonds, notes or other obligations issued under the provisions of sections 15-120g to 15-120o, inclusive, and the trustee or trustees under any trust agreement, except to the extent the rights herein given may be restricted by any resolution authorizing the issuance of, or any such trust agreement securing, such bonds, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the state or granted hereunder or under such resolution or trust agreement, and may enforce and compel the performance of all duties required by said sections or by

such resolution or trust agreement to be performed by the authority or by any officer, employee or agent thereof, including the fixing, charging and collecting of the rates, rents, fees and charges herein authorized and required by the provisions of such resolution or trust agreement to be fixed, established and collected.

(o) The authority may make representations and agreements for the benefit of the holders of any bonds, notes or other obligations of the state which are necessary or appropriate to ensure the exclusion from gross income for federal income tax purposes of interest on bonds, notes or other obligations of the state from taxation under the Internal Revenue Code of 1986 or any subsequent corresponding internal revenue code of the United States, as from time to time amended, including agreement to pay rebates to the federal government of investment earnings derived from the investment of the proceeds of the bonds, notes or other obligations of the authority. Any such agreement may include: (1) A covenant to pay rebates to the federal government of investment earnings derived from the investment of the proceeds of the bonds, notes or other obligations of the authority, (2) a covenant that the authority will not limit or alter its rebate obligations until its obligations to the holders or owners of such bonds, notes or other obligations are finally met and discharged, and (3) provisions to (A) establish trust and other accounts which may be appropriate to carry out such representations and agreements, (B) retain fiscal agents as depositories for such fund and accounts and (C) provide that such fiscal agents may act as trustee of such funds and accounts.

(p) Authority rates, rents, fees and charges shall be fixed and adjusted considering the aggregate of rates, rents, fees and charges from such financing project in order to provide funds sufficient with other revenues or moneys available therefor, if any, to (1) pay the cost of maintaining, repairing and operating the financing project and each and every portion thereof, to the extent that the payment of such cost has not

otherwise been adequately provided for, (2) pay the principal of and the interest on outstanding bonds of the authority issued for such financing project as the same shall become due and payable, and (3) create and maintain reserves required or provided for in any resolution authorizing, or trust agreement securing, such bonds of the authority. Such rates, rents, fees and charges shall not be subject to supervision or regulation by any department, commission, board, body, bureau or agency of this state other than the authority.

(q) A sufficient amount of the revenues derived in respect of a financing project, except such part of such revenues as may be necessary to pay the cost of maintenance, repair and operation and to provide reserves and for renewals, replacements, extensions, enlargements and improvements as may be provided for in the resolution authorizing the issuance of any bonds of the authority or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in such resolution or trust agreement in a sinking or other similar fund which is hereby pledged to, and charged with, the payment of the principal of and the interest on such bonds as the same shall become due, and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made and the rates, rents, fees and charges and other revenues or other moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and 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 authority, irrespective of whether such parties have notice thereof. Notwithstanding any provision of the Uniform Commercial Code, neither the resolution, any trust agreement, other agreement nor any lease by which a pledge is created needs to be filed or recorded except in the records of the authority. The use and disposition of moneys to the credit of such sinking or other similar fund shall be subject to the

provisions of the resolution authorizing the issuance of such bonds or of such trust agreement. Unless otherwise provided in such resolution or such trust agreement, such resolution or trust agreement may permit the issuance of bonds having a subordinate lien in respect of the security authorized in this section to other bonds of the authority, and, in such case, the authority may create separate sinking or other similar funds in respect of such subordinate lien bonds.

(r) The authority may issue bonds, notes or other obligations under this section (1) the interest on which may be includable in the gross income of the holder or holders thereof under the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, and (2) that may be eligible for tax credits or exemptions or payments from the federal government, or any other desired federal income tax treatment of such bonds, notes or other obligations. Any such bonds, notes or other obligations may be issued only upon a finding by the authority that such issuance is necessary, is in the public interest, and is in furtherance of the purposes and powers of the authority. The state hereby consents to such inclusion only for the bonds, notes or other obligations of the authority so authorized.

(s) The authority may provide for the issuance of bonds of the authority for the purpose of refunding any bonds of the authority then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase or maturity of such bonds. The proceeds of any such bonds issued for the purpose of refunding outstanding bonds may, in the discretion of the authority, be applied to the purchase or retirement at maturity or redemption of such outstanding bonds either on their earliest or any subsequent redemption date or upon the purchase or at the maturity thereof and may, pending such application, be placed in escrow to be applied to such purchase or

retirement at maturity or redemption on such date as may be determined by the authority. Any such escrowed proceeds, pending such use, may be invested and reinvested in federally guaranteed securities and certificates of deposit or time deposits secured by direct obligations of, or obligations unconditionally guaranteed by, the United States, or obligations of a state, a territory, or a possession of the United States, or any political subdivision of such state, territory or possession, or of the District of Columbia, within the meaning of Section 103(a) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, the full and timely payment of the principal of and interest on which are secured by an irrevocable deposit of federally guaranteed securities, maturing at such time or times as shall be appropriate to assure the prompt payment, as to principal, interest and redemption premium, if any, of the outstanding bonds to be so refunded. The interest, income and profits, if any, earned or realized on any such investment may also be applied to the payment of the outstanding bonds to be so refunded.

(t) The authority may contract with the holders of any of its bonds or notes for the custody, collection, securing, investment and payment of any reserve funds of the authority, or of any moneys held in trust or otherwise for the payment of bonds or notes, and to carry out such contracts. Any officer with whom, or any bank or trust company with which, such moneys are deposited as trustee thereof shall hold, invest, reinvest and apply such moneys for the purposes thereof, subject to such provisions as this chapter and the resolution authorizing the issue of the bonds or notes or the trust agreement securing such bonds or notes may provide.

Sec. 171. Section 15-120m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The exercise of the powers granted by sections 15-120g to 15-120o,

inclusive, constitute the performance of an essential governmental function and the authority shall not be required to pay any taxes or assessments upon or in respect of **[**the**]** any airport project, levied by any municipality or political subdivision or special district having taxing powers of the state and **[**the**]** any airport project and the principal and interest of any bonds and notes issued under the provisions of said sections, their transfer and the income therefrom, including revenues derived from the sale thereof, shall at all times be free from taxation of every kind by the state of Connecticut or under its authority, except for estate or succession taxes.

Sec. 172. Subsection (a) of section 15-120o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) Within the first ninety days of each fiscal year of the authority, the board of directors of the authority shall submit a report to the Governor, the Auditors of Public Accounts and the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding. Such report shall include, but not be limited to, the following: (1) A list of all bonds issued during the preceding fiscal year, including, for each such issue, the financial advisor and underwriters, whether the issue was competitive, negotiated or privately placed, and the issue's face value and net proceeds; (2) a description of **[**the**]** any airport project, its location, and the amount of funds, if any, provided by the authority with respect to the construction of **[**the**]** any such airport project; (3) a list of all outside individuals and firms receiving in excess of five thousand dollars in the form of loans, grants or payments for services; (4) an annual comprehensive financial report prepared in accordance with generally accepted accounting principles for governmental enterprises; (5) the cumulative value of all bonds issued, the value of outstanding bonds, and the amount of the state's contingent liability; (6) the affirmative action policy statement, a

description of the composition of the work force of the authority by race, sex and occupation and a description of the affirmative action efforts of the authority; and (7) a description of planned activities for the current fiscal year.

Sec. 173. Section 32-75d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) There is established an airport development zone, which is comprised of the following census blocks as assigned on October 1, 2011, in the towns of Windsor Locks, Suffield, East Granby and Windsor:

090034701001022, 090034701003000, 090034701003001,
090034701003002, 090034701003003, 090034701003004,
090034701003005, 090034701003017, 090034701003018,
090034701003019, 090034701003020, 090034701003021,
090034701003025, 090034701003026, 090034735022009,
090034735022010, 090034735022011, 090034735022012,
090034735022013, 090034735025004, 090034735027000,
090034735029000, 090034735029001, 090034735029002,
090034735029003, 090034735029004, 090034735029006,
090034761009000, 090034761009010, 090034761009011,
090034761009012, 090034761009013, 090034762001023,
090034762001025, 090034762002009, 090034762002013,
090034763003004, 090034763009000, 090034763009001,
090034763009002, 090034763009003, 090034763009004,
090034763009005, 090034763009006, 090034763009007,
090034763009008, 090034763009009, 090034763009010,
090034763009011, 090034763009012, 090034763009013,
090034763009014, 090034763009015, 090034763009016,
090034763009017, 090034763009018, 090034763009020,
090034763009021, 090034763009022, 090034763009023,
090034763009024, 090034763009025, 090034763009026,
090034763009031, 090034763009033, 090034771014005,
090034771014011, 090034771014012, 090034771014013,
090034771014014, 090034771014017, 090034771014018,
090034771014019, 090034771014020, 090034771023025,
090034771023026, 090034771023027, 090034771023036,
090034701003006, 090034701003022, 090034701003023,

090034701005000, 090034761001039, 090034763009028.

(b) Notwithstanding the provisions of subsection (a) of this section, the Commissioner of Economic and Community Development may establish additional airport development zones surrounding any of the general aviation airports, as defined in section 15-120aa, or any other airport within the duty, power and authority of the Connecticut Airport Authority, as defined in section 15-120cc, upon receipt from one or more interested municipalities of a proposal recommending the establishment of such a zone.

(1) The commissioner shall consider any such proposal if the commissioner determines that the economic development benefits of establishing a new airport development zone outweigh the anticipated costs to the state and the affected municipalities. Any such proposal shall comply with the state plan of conservation and development adopted pursuant to chapter 297.

(2) A proposal submitted to the commissioner shall include, but not be limited to, an identification of:

(A) The geographical scope of such proposed zone, including designation of all census blocks that are proposed to be incorporated into such zone, provided (i) each zone shall be in accordance with the applicable general aviation airport or other airport's master plan, and (ii) no zone shall extend beyond a two-mile radius of the applicable general aviation airport or other airport without approval of the General Assembly;

(B) The economic development benefits anticipated from the establishment of such zone, including the nature of business and industry that will be developed and the anticipated number of jobs created; and

(C) The anticipated costs of establishing such zone.

(3) The commissioner may modify the geographic scope of the proposed zone to improve, within the commissioner's discretion, the balance between the anticipated economic benefit and the cost to the state and affected municipalities.

(4) The commissioner may approve the establishment of a new airport development zone.

(5) An airport development zone established pursuant to this subsection shall not include the land on which any general aviation airport or other airport operates, including any state-owned or controlled land.

(c) (1) Notwithstanding the provisions of subsection (a) of this section, the Commissioner of Economic and Community Development shall establish an airport development zone surrounding Tweed New Haven Airport upon a proposal submitted by the town of East Haven or the city of New Haven or jointly by both said town and city.

(2) Any such proposal shall comply with the state plan of conservation and development adopted pursuant to chapter 297 and shall include, but need not be limited to, an identification of:

(A) The geographical scope of such proposed zone, including designation of all census blocks that are proposed to be incorporated into such zone, provided such zone shall be in accordance with the master plan of Tweed New Haven Airport and shall not extend beyond a two-mile radius of said airport without approval of the General Assembly;

(B) The economic development benefits anticipated from the establishment of such zone, including the nature of business and industry that will be developed and the anticipated number of jobs

created; and

(C) The anticipated costs of establishing such zone.

(3) The commissioner may modify the geographic scope of the proposed zone to improve, within the commissioner's discretion, the balance between the anticipated economic benefit and the cost to the state and affected municipalities.

(4) An airport development zone established pursuant to this subsection shall not include the land on which the Tweed New Haven Airport operates, including any state-owned or controlled land.

Sec. 174. (NEW) (*Effective from passage*) (a) Notwithstanding the provisions of chapter 204 of the general statutes, a municipality may, by vote of its legislative body, (1) abate all or a portion of the total amount of interest on any delinquent real property taxes owed to the municipality by a common interest community, as defined in section 47-202 of the general statutes, that is composed of more than five hundred units, or (2) refund all or a portion of the total amount of such interest paid on such taxes by such community, provided to be eligible for such abatement or such refund pursuant to this section, such community shall be in receivership pursuant to an order of the Superior Court.

(b) A municipal water pollution control authority may, by vote of the authority, (1) abate all or a portion of the total amount of interest on any delinquent sewerage system use charge owed to the municipality by a common interest community, as defined in section 47-202 of the general statutes, that is composed of more than five hundred units, or (2) refund all or a portion of the total amount of such interest paid on any such use charge by such community, provided to be eligible for such abatement or such refund pursuant to this section, such community shall be in receivership pursuant to an order of the Superior Court.

Sec. 175. Subdivision (3) of subsection (f) of section 4-66*l* of the 2026

supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(3) For the fiscal **[**year**]** years ending June 30, 2026, and June 30, 2027, the amount of the grant payable to a municipality in accordance with subsection (d) of this section shall not be reduced in the case of a municipality whose adopted budget expenditures exceed the cap set forth in subdivision (1) of this subsection.

Sec. 176. Subsection (b) of section 4b-3 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) The **[**chairman**]** chairperson of the board shall be compensated **[**two**]** three hundred dollars per diem up to a maximum of **[**thirty**]** forty-five thousand dollars annually. Other members of the board shall be compensated **[**two**]** three hundred dollars per diem up to a maximum of **[**twenty-five**]** forty thousand dollars annually. The members of the board shall choose their own **[**chairman**]** chairperson. No person shall serve on **[**this**]** the board who holds another elected or paid state or municipal governmental position and no person on the board shall be directly involved in any enterprise which does business with the state or directly or indirectly involved in any enterprise concerned with real estate acquisition or development.

Sec. 177. (NEW) (*Effective July 1, 2026*) No board or commission in the executive branch which compensates its members on a per diem basis shall establish a meeting schedule for any fiscal year that would cause such board or commission to expend funds on per diem reimbursement of its members in excess of the amount appropriated to such board or commission for such purpose during such fiscal year, unless the board or commission obtains prior approval of such schedule, in writing, by the Secretary of the Office of Policy and Management.

Sec. 178. (*Effective from passage*) Notwithstanding the provisions of section 12-142 of the general statutes, title 7 or 10 of the general statutes, chapters 170 and 204 of the general statutes, any special act, any municipal charter or any home rule ordinance, if a municipality or regional board of education has adopted a budget or levied taxes for the fiscal year ending June 30, 2027, prior to the adoption of the state budget for said fiscal year and such municipality or regional board of education receives, pursuant to such adopted state budget, an amount of state aid more than the amount projected in the municipality's or regional board of education's adopted budget, such (1) municipality, by vote of its legislative body or, in a municipality where the legislative body is a town meeting, by vote of the board of selectmen, or (2) regional board of education, may (A) amend its budget, and (B) not later than July 1, 2026, adjust the tax levy and the amount of any remaining installments of such taxes. The amendment to such budget shall be in an amount not exceeding the increase in state aid to the municipality or regional board of education.

Sec. 179. Section 18 of public act 25-173 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The Office of Consumer Counsel, in consultation with the Public Utilities Regulatory Authority and the Commissioner of Energy and Environmental Protection, shall prepare a report that describes the line items included in the charges known as the "combined public benefits charges" on a bill to any end use customer of an electric distribution company, as defined in section 16-1 of the general statutes, as amended by **[**this act**]** public act 25-173. Such report shall include, but need not be limited to, an examination of the enabling authority for the imposition of any such line item, and the purpose, costs and benefits associated with any such line item. Not later than **[**October 1, 2026**]** January 15, 2027, the Consumer Counsel shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint

standing committee of the General Assembly having cognizance of matters relating to energy and technology.

Sec. 180. (*Effective from passage*) Notwithstanding the provisions of section 13b-268 of the general statutes or any other provision of the general statutes, special act or regulation that prohibits the construction of any new highway railroad crossing at grade, the Department of Transportation shall allow the town of Newtown or its authority or agent to construct an at-grade pedestrian crossing on the Housatonic Railroad as part of the Housatonic Valley Rail Trail Railroad, provided such at-grade pedestrian crossing is approved by the legislative body of the town of Newtown and the Housatonic Railroad and constructed in accordance with the department's recommendations.

Sec. 181. Section 5-198 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The offices and positions filled by the following-described incumbents shall be exempt from the classified service:

(1) All officers and employees of the Judicial Department;

(2) All officers and employees of the Legislative Department;

(3) All officers elected by popular vote;

(4) All agency heads, members of boards and commissions and other officers appointed by the Governor;

(5) All persons designated by name in any special act to hold any state office;

(6) All officers, noncommissioned officers and enlisted men in the military or naval service of the state and under military or naval discipline and control;

(7) (A) All correctional wardens, as provided in section 18-82, and (B) all superintendents of state institutions, the State Librarian, the president of The University of Connecticut and any other commissioner or administrative head of a state department or institution who is appointed by a board or commission responsible by statute for the administration of such department or institution;

(8) The State Historian appointed by the State Library Board;

(9) Deputies to the administrative head of each department or institution designated by statute to act for and perform all of the duties of such administrative head during such administrative head's absence or incapacity;

(10) Executive assistants to each state elective officer and each department head, as defined in section 4-5, provided (A) each position of executive assistant shall have been created in accordance with section 5-214, and (B) in no event shall the Commissioner of Administrative Services or the Secretary of the Office of Policy and Management approve more than four executive assistants for a department head and, for any department with two or more deputies, more than two executive assistants for each such deputy;

(11) One personal secretary to the administrative head and to each undersecretary or deputy to such head of each department or institution;

(12) All members of the professional and technical staffs of the constituent units of the state system of higher education, as defined in section 10a-1, of all other state institutions of learning, of the Board of Regents for Higher Education, and of the agricultural experiment station at New Haven, professional and managerial employees of the Department of Education and the Office of Early Childhood, teachers and administrators employed by the Technical Education and Career

System and teachers certified by the State Board of Education and employed in teaching positions at state institutions;

(13) Physicians, dentists, student nurses in institutions and other professional specialists who are employed on a part-time basis;

(14) Persons employed to make or conduct a special inquiry, investigation, examination or installation;

(15) Students in educational institutions who are employed on a part-time basis;

(16) Forest fire wardens provided for by section 23-36;

(17) Patients or inmates of state institutions who receive compensation for services rendered therein;

(18) Employees of the Governor including employees working at the executive office, official executive residence at 990 Prospect Avenue, Hartford and the Washington D.C. office;

(19) Persons filling positions expressly exempted by statute from the classified service;

(20) Librarians employed by the State Board of Education or any constituent unit of the state system of higher education;

(21) All officers and employees of the Division of Criminal Justice;

(22) Professional employees in the education professions bargaining unit of the Department of Aging and Disability Services;

(23) Lieutenant colonels in the Division of State Police within the Department of Emergency Services and Public Protection;

(24) The Deputy State Fire Marshal within the Department of Administrative Services;

(25) The chief administrative officer of the Workers' Compensation Commission;

(26) Employees in the education professions bargaining unit;

(27) Disability policy specialists employed by the Council on Developmental Disabilities;

(28) The director for digital media and motion picture activities in the Department of Economic and Community Development; and

(29) Any Director of Communications 1, Director of Communications 1 (Rc), Director of Communications 2, Director of Communications 2 (Rc), Legislative Program Manager, Communications and Legislative Program Manager, Director of Legislation, Regulation and Communication, Legislative and Administrative Advisor 1, **[**or**]** Legislative and Administrative Advisor 2, Agency Legal Director, Energy and Environmental Protection Office Director (Legal) or First Assistant Commissioner of Revenue Services, as such positions are classified within the Executive Department.

Sec. 182. Section 5-207a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For purposes of this section, "state agency" has the same meaning as provided in section 1-79. For each position of employment with the state of Connecticut that involves exposure to federal tax information, the **[**employing**]** state agency with custody of the federal tax information and, in the case **[**where the Department of Administrative Services is the provider of human resources services for such employing agency**]** of an executive branch state agency, the Department of Administrative Services, shall, subject to the provisions of section 31-51i, require each applicant for, each employee applying for transfer to, and, at least every five years, **[**or more often if required by the United States Department of the Treasury,**]** each current employee of such a position, to (1) state in

writing whether such applicant or employee has been convicted of a crime or whether criminal charges are pending against such applicant or employee at the time of application for employment or transfer and, if so, to identify the charges and court in which such charges are pending, and (2) be fingerprinted and submit to state and national criminal history records checks. The criminal history records checks required by this section shall be conducted in accordance with section 29-17a. Each employee who has access to federal tax information shall be subject to such criminal history records check at least every five years.

(b) If a contractor or subcontractor has a contract with **[**an**]** a state agency to perform work for the state agency that entails such contractor or subcontractor or any employee thereof to access federal tax information, such contractor or subcontractor and any such employee shall be subject to the requirements of subdivisions (1) and (2) of subsection (a) of this section prior to commencing such work and **[**as often thereafter as required by subsection (a) of this section**]** at least every five years thereafter.

Sec. 183. Section 19a-502 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) Any person establishing, conducting, managing or operating any institution without the license required under the provisions of **[**sections 19a-490 to 19a-503, inclusive, or owning real property or improvements upon or within which such an institution is established, conducted, managed or operated,**]** this chapter or without the certificate required under the provisions of section **[**19a-491, shall be fined not more than one hundred dollars for each offense, and each day of a continuing violation after conviction shall be considered a separate offense**]** 19a-561 shall be guilty of a class D felony and fined not more than five thousand dollars for each day of continuing action in violation of this chapter or section 19a-561.

(b) Any person owning real property or improvements upon or within which an institution is established, conducted, managed or operated without the license required under this chapter or without the certificate required under section 19a-561 shall be fined not more than one hundred dollars for each offense and each day of a continuing violation after conviction shall be considered a separate offense.

(c) The penalty provisions of this **[**subsection**]** section shall not apply to (1) any financial institution regulated by any state or federal agency or body, which financial institution has succeeded to the title of the premises by mortgage foreclosure and the operator, if any, continues to occupy such property, or (2) an institution that applied for license renewal within sixty days of the lapsing of its license, even if the license renewal application was incomplete at the time of application.

[(b)**]** (d) If any person conducting, managing or operating any nursing home facility, as defined in section 19a-521, or residential care home, as defined in section 19a-521, fails to maintain or make available the financial information, data or records required under subsection (d) of section 19a-498, such person's license as a nursing home facility or residential care home administrator may be revoked or suspended in accordance with section 19a-517 or the license of such nursing home facility or residential care home may be revoked or suspended in the manner provided in section 19a-494, or both.

Sec. 184. Section 19a-503 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) Notwithstanding the existence or pursuit of any other remedy, the Department of Public Health may, in the manner provided by law and upon the advice of the Attorney General, conduct an investigation and maintain an action in the name of the state for injunction or other process against any person or governmental unit to restrain or prevent the establishment, conduct, management or operation of an institution

or nursing facility management services, without a license or certificate under this chapter.

(b) The commissioner may, after a hearing held in accordance with chapter 54, impose a civil penalty on any person establishing, conducting, managing or operating any institution without the license required under this chapter or without the certificate required under section 19a-561. The amount of any such civil penalty shall not exceed twenty-five thousand dollars for each day such person is in violation of this chapter or section 19a-561.

Sec. 185. Section 19a-11 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

Any board or commission listed in subsection (b) of section 19a-14 or the Department of Public Health, with respect to professions under its jurisdiction that have no board or commission, may, in its discretion, issue **[**an appropriate**]** a summary order to any person found to be violating an applicable statute or regulation, providing for the immediate discontinuance of the violation that poses an imminent risk to public health, safety or welfare, pending proceedings to determine whether to issue a cease and desist order. Such board or commission or the department, with respect to professions under its jurisdiction that have no board or commission, may, after a hearing held in accordance with chapter 54, impose a civil penalty not to exceed twenty-five thousand dollars on a person who provides professional services under the department's jurisdiction without a license or certificate issued by the department. For the purposes of this section, each day of the provision of any such services shall be grounds for such a penalty. The board or commission may, through the Attorney General, petition the superior court for the judicial district wherein the violation occurred, or wherein the person committing the violation resides or transacts business, for the enforcement of any order issued by it and for appropriate temporary relief or a restraining order. Such board or

commission shall certify and file in such court a transcript of the entire record of the hearing or hearings, including all testimony upon which such order was made and the findings and orders made by such board or commission. The court may grant such relief by injunction or otherwise, including temporary relief, as it deems equitable and may make and enter a decree enforcing, modifying and enforcing as so modified, or setting aside, in whole or in part, any order of the board or commission.

Sec. 186. (NEW) (*Effective from passage*) The Commissioner of Public Health may appoint a willing licensed embalmer, as defined in section 20-207 of the general statutes, to dispose of an abandoned dead human body or the abandoned cremated remains of a dead human body. An appointed embalmer may request any records necessary to identify such dead human body or cremated remains. The appointed embalmer shall notify the commissioner, in a form and manner prescribed by the commissioner, of the date and time of disposition of any such dead human body or cremated remains and the method of such disposition not later than seven days after such disposition. A dead human body or cremated remains of a dead human body shall be deemed to be abandoned, for the purposes of this section, when a licensed or formerly licensed funeral director or embalmer voluntarily or improperly relinquishes custody of such human body or cremated remains in violation of the requirements of state law, including, but not limited to, when a funeral director or embalmer ceases to operate a funeral home and fails to arrange for the transfer or disposition of such dead human body or cremated remains in the funeral director or embalmer's possession prior to ceasing operations.

Sec. 187. Subsections (c) and (d) of section 7-51a of the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):

(c) **[**For deaths occurring on or after July 1, 1997, the**]** <u>The</u> Social

Security number recorded on the death certificate of the deceased person shall be **[**recorded in the "administrative purposes" section of the death certificate. Such administrative purposes section, and the Social Security number contained therein, shall be**]** restricted and disclosed only to the following eligible parties: (1) All parties specified on the death certificate, including the informant, licensed funeral director, licensed embalmer, conservator, surviving spouse, physician or advanced practice registered nurse and town clerk, for the purpose of processing the certificate, (2) the surviving spouse, (3) the next of kin, or (4) any state and federal agencies authorized by federal law to receive the Social Security number. The department shall provide any other individual, researcher or state or federal agency requesting a certified or uncertified copy of a death certificate, **[**or the information contained within such certificate, for a death occurring on or after July 1, 1997, such certificate or information. The**]** in accordance with the provisions of this section, such copy with the decedent's Social Security number **[**shall be**]** removed or redacted. **[**from such certificate or information or the administrative purposes section shall be omitted from such certificate.**]**

(d) The department shall provide, as electronic data, the information contained within a certified copy of a death certificate to any individual, researcher or state or federal agency upon request. The decedent's Social Security number shall be removed, redacted or omitted from such data unless the requester is a state or federal agency authorized by federal law to receive the Social Security number.

[(d)**]** (e) The registrar of vital statistics of any town or city in this state that has access to an electronic vital records system, as authorized by the department, may use such system to issue certified copies of birth, death, fetal death or marriage certificates that are electronically filed in such system.

Sec. 188. Subsection (a) of section 19a-537 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from*

passage):

(a) As used in this section and section 19a-537a:

(1) "Vacancy" means a bed that is available for an admission;

(2) "Nursing home" means any chronic and convalescent facility or any rest home with nursing supervision, as defined in section 19a-521;

(3) "Hospital" means a general short-term hospital licensed by the Department of Public Health or a hospital for **[**mental illness**]** psychiatric disabilities, as defined in section 17a-495, or a chronic disease hospital.

Sec. 189. Section 19a-36g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

As used in this section, **[**and**]** sections 19a-36b, 19a-36h to 19a-36o, inclusive, and section 19a-36r:

(1) "Catering food service establishment" means a business that is involved in the (A) sale or distribution of food and drink prepared in bulk in one geographic location for retail service in individual portions in another location, or (B) preparation and service of food in a public or private venue that is not under the ownership or control of the operator of such business;

(2) "Certified food protection manager" means a food employee that has supervisory and management responsibility and the authority to direct and control food preparation and service;

(3) "Class 1 food establishment" means a retail food establishment that does not serve a population that is highly susceptible to food borne illnesses and only offers (A) commercially packaged food in its original commercial package that is time or temperature controlled for safety, or (B) commercially prepackaged, precooked food that is time or

temperature controlled for safety and heated, hot held and served in its original commercial package not later than four hours after heating, or (C) food prepared in the establishment that is not time or temperature controlled for safety;

(4) "Class 2 food establishment" means a retail food establishment that does not serve a population that is highly susceptible to food-borne illnesses and offers a limited menu of food that is prepared or cooked and served immediately, or that prepares or cooks food that is time or temperature controlled for safety and may require hot or cold holding, but that does not involve cooling;

(5) "Class 3 food establishment" means a retail food establishment that (A) does not serve a population that is highly susceptible to food-borne illnesses, and (B) offers food that is time or temperature controlled for safety and requires complex preparation, including, but not limited to, handling of raw ingredients, cooking, cooling and reheating for hot holding;

(6) "Class 4 food establishment" means a retail food establishment that serves a population that is highly susceptible to food-borne illnesses, including, but not limited to, preschool students, hospital patients and nursing home patients or residents, or that conducts specialized food processes, including, but not limited to, smoking, curing or reduced oxygen packaging for the purposes of extending the shelf life of the food;

(7) "Cold holding" means maintained at a temperature of forty-one degrees Fahrenheit or below;

(8) "Commissioner" means the Commissioner of Public Health or the commissioner's designee;

(9) "Contact hour" means a minimum of fifty minutes of a training activity;

(10) "Department" means the Department of Public Health;

(11) "Director of health" means the director of a local health department or district health department appointed pursuant to section 19a-200 or 19a-242;

(12) "Food code" means the food code administered under section 19a-36h;

(13) "Food establishment" means an operation that (A) stores, prepares, packages, serves, vends directly to the consumer or otherwise provides food for human consumption, including, but not limited to, a restaurant, catering food service establishment, food service establishment, temporary food service establishment, itinerant food vending establishment, market, conveyance used to transport people, institution or food bank, or (B) relinquishes possession of food to a consumer directly, or indirectly through a delivery service, including, but not limited to, home delivery of grocery orders or restaurant takeout orders or a delivery service that is provided by common carriers. "Food establishment" does not include a vending machine, as defined in section 21a-34, a private residential dwelling in which food is prepared under section 21a-62a or a food manufacturing establishment, as defined in section 21a-151;

(14) "Food inspector" means a director of health, or his or her authorized agent, or a registered environmental health specialist who has been certified as a food inspector by the commissioner;

(15) "Food inspection training officer" means a certified food inspector who has received training developed or approved by the commissioner and been authorized by the commissioner to train candidates for food inspector certification;

(16) "Food-borne illness" means illness, including, but not limited to, illness due to heavy metal intoxications, staphylococcal food poisoning,

botulism, salmonellosis, shigellosis, Clostridium perfringens intoxication and hepatitis A, acquired through the ingestion of a common-source food or water contaminated with a chemical, infectious agent or the toxic products of a chemical or infectious agent;

(17) "Food-borne outbreak" means illness, including, but not limited to, illness due to heavy metal intoxications, staphylococcal food poisoning, botulism, salmonellosis, shigellosis, Clostridium perfringens intoxication and hepatitis A, in two or more individuals, acquired through the ingestion of common-source food or water contaminated with a chemical, infectious agent or the toxic products of a chemical or infectious agent;

(18) "Hot holding" means maintained at a temperature of one hundred thirty-five degrees Fahrenheit or above;

(19) "Itinerant food vending establishment" means a vehicle-mounted, self-contained, mobile food establishment;

(20) "Permit" means a written document issued by a director of health that authorizes a person to operate a food establishment;

(21) "Temporary food service establishment" means a food establishment that operates for a period of not more than fourteen consecutive days in conjunction with a single event or celebration;

(22) "Time or temperature controlled for safety" means maintained at a certain temperature or maintained for a certain length of time, or both, to prevent microbial growth and toxin production; and

(23) "Variance" means a written document issued by the commissioner that authorizes a modification or waiver of one or more requirements of the food code.

Sec. 190. Subsection (b) of section 19a-36h of the 2026 supplement to

the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) The commissioner may adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section, **[**and**]** sections 19a-36i to 19a-36m, inclusive, and section 19a-36r.

Sec. 191. Section 19a-36b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Any person who serves meals to individuals at registered congregate meal sites funded under Title III of the Older Americans Act of 1965, as amended from time to time, which were prepared under the supervision of a **[**qualified food operator**]** certified food protection manager, shall be exempt from the examination requirement for **[**qualified food operators**]** certified food protection managers.

(b) Any volunteer who serves meals for a nonprofit organization shall be exempt from the examination requirement for **[**qualified food operators**]** certified food protection managers.

(c) The Commissioner of Public Health, in conjunction with the Commissioner of Social Services, shall adopt regulations in accordance with the provisions of chapter 54 to establish training procedures for persons exempt from the examination requirement for **[**qualified food operators**]** certified food protection managers under the provisions of subsections (a) and (b) of this section.

Sec. 192. Section 19a-580h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section:

(1) "Medical order for life-sustaining treatment" means a **[**written medical order**]** specific set of written medical orders developed by the

Department of Public Health specific to the program established in accordance with the provisions of this section and made by a physician, advanced practice registered nurse or physician assistant to effectuate a patient's request for life-sustaining treatment when the patient has been determined by a physician, physician assistant or advanced practice registered nurse to be approaching the end stage of a serious, life-limiting illness or is in a condition of advanced, chronic progressive frailty;

(2) "Health care provider" means any person, corporation, limited liability company, facility or institution operated, owned or licensed by this state to provide health care or professional medical services; and

(3) "Legally authorized representative" means a minor patient's parent, guardian appointed by the Probate Court or a health care representative appointed in accordance with sections 19a-576 and 19a-577.

(b) The Commissioner of Public Health shall establish a state-wide program to implement the use of medical orders for life-sustaining treatment by health care providers. Patient participation in the program shall be voluntary. An agreement to participate in the program shall be documented by the signature of the patient or the patient's legally authorized representative on the medical order for life-sustaining treatment form.

(c) Notwithstanding the provisions of sections 19a-495 and 19a-580d and the regulations adopted thereunder, the Commissioner of Public Health shall adopt regulations, in accordance with the provisions of chapter 54, for the program established in accordance with this section to ensure that: (1) Medical orders for life-sustaining treatment are transferrable among, and recognized by, various types of health care institutions subject to any limitations set forth in federal law; (2) any procedures and forms developed for recording medical orders for life-

sustaining treatment require the signature of the patient or the patient's legally authorized representative on the medical order for life-sustaining treatment and the patient or the patient's legally authorized representative is given **[**the original order immediately after signing such**]** a copy of or access to the order and a copy of such order is immediately placed in the patient's medical record; (3) prior to requesting the signature of the patient or the patient's legally authorized representative on such order, the physician, advanced practice registered nurse or physician assistant writing the medical order discusses with the patient or the patient's legally authorized representative the patient's goals for care and treatment and the benefits and risks of various methods for documenting the patient's wishes for end-of-life treatment, including medical orders for life-sustaining treatment; and (4) each physician, advanced practice registered nurse or physician assistant that intends to write a medical order for life-sustaining treatment receives training concerning: (A) The importance of talking with patients about their personal treatment goals; (B) methods for presenting choices for end-of-life care that elicit information concerning patients' preferences and respects those preferences without directing patients toward a particular option for end-of-life care; (C) the importance of fully informing patients about the benefits and risks of an immediately effective medical order for life-sustaining treatment; (D) awareness of factors that may affect the use of medical orders for life-sustaining treatment, including, but not limited to, advanced health care directives, race, ethnicity, age, gender, socioeconomic position, immigrant status, sexual minority status, language, disability, homelessness, mental illness and geographic area of residence; and (E) procedures for properly completing and effectuating medical orders for life-sustaining treatment.

(d) A medical order for life-sustaining treatment for a person participating in the program described in this section shall not be valid unless it is completed on a form prescribed by the department and

executed in accordance with the requirements of this section and any regulations adopted under this section.

[(d)**]** (e) Nothing in this section shall be construed to limit the authority of the Commissioner of Developmental Services under subsection (g) of section 17a-238 concerning orders applied to persons receiving services under the direction of said commissioner.

[(e)**]** (f) The Commissioner of Public Health may implement policies and procedures necessary to administer the provisions of this section until such time as regulations are adopted pursuant to subsection (c) of this section.

Sec. 193. Subsection (a) of section 19a-112h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Commissioner of Public Health shall establish and contract for the administration of a state-wide human immunodeficiency virus pre-exposure prophylaxis and post-exposure prophylaxis drug assistance program using appropriated AIDS Services funding, provided such funding is equal to or greater than twenty-five thousand dollars annually. The program shall provide financial assistance to individuals at risk of acquiring human immunodeficiency for (1) the purchase of pre-exposure and post-exposure prophylaxis for human immunodeficiency virus prescribed by a licensed physician consistent with the recommendations of the National Centers for Disease Control and Prevention, and (2) payment of associated laboratory testing and other related costs. For the purposes of this subsection, "financial assistance" includes, but need not be limited to, payments for out-of-pocket costs, copayments, coinsurance, and up to full cost payments toward a deductible for individuals who are underinsured and for whom the program is the payer of last resort.

Sec. 194. Section 19a-2a of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

The Commissioner of Public Health shall employ the most efficient and practical means for the prevention and suppression of disease and shall administer all laws under the jurisdiction of the Department of Public Health and the Public Health Code. The commissioner shall have responsibility for the overall operation and administration of the Department of Public Health. The commissioner shall have the power and duty to: (1) Administer, coordinate and direct the operation of the department; (2) adopt and enforce regulations, in accordance with chapter 54, as are necessary to carry out the purposes of the department as established by statute; (3) establish rules for the internal operation and administration of the department; (4) establish and develop programs and administer services to achieve the purposes of the department as established by statute; (5) enter into a contract, including, but not limited to, a contract with another state, for facilities, services and programs to implement the purposes of the department as established by statute; (6) designate a deputy commissioner or other employee of the department to sign any license, certificate or permit issued by said department; (7) conduct a hearing, issue subpoenas, administer oaths, compel testimony and render a final decision in any case when a hearing is required or authorized under the provisions of any statute dealing with the Department of Public Health; (8) with the health authorities of this and other states, secure information and data concerning the prevention and control of epidemics and conditions affecting or endangering the public health, and compile such information and statistics and shall disseminate among health authorities and the people of the state such information as may be of value to them; (9) annually issue a list of reportable diseases, emergency illnesses and health conditions and a list of reportable laboratory findings and amend such lists as the commissioner deems necessary and

distribute such lists as well as any necessary forms to each licensed physician, licensed physician assistant, licensed advanced practice registered nurse and clinical laboratory in this state. The commissioner shall prepare printed forms for reports and returns, with such instructions as may be necessary, for the use of directors of health, boards of health and registrars of vital statistics; and (10) specify uniform methods of keeping statistical information by public and private agencies, organizations and individuals, including a client identifier system, and collect and make available relevant statistical information, including the number of persons treated, frequency of admission and readmission, and frequency and duration of treatment. In the administration or enforcement of any applicable statute, regulation, permit or order, the department may resolve any dispute regarding compliance or ensure compliance with the regulatory requirements by agreed settlement or consent order, except consent orders resolving petitions filed in accordance with section 19a-12e shall be subject to the approval of the board or commission having jurisdiction over the health care professional. The client identifier system shall be subject to the confidentiality requirements set forth in section 17a-688 and regulations adopted thereunder. The commissioner may designate any person to perform any of the duties listed in subdivision (7) of this section. The commissioner shall have authority over directors of health and may, for cause, remove any such director; but any person claiming to be aggrieved by such removal may appeal to the Superior Court which may affirm or reverse the action of the commissioner as the public interest requires. The commissioner shall assist and advise local directors of health and district directors of health in the performance of their duties, and may require the enforcement of any law, regulation or ordinance relating to public health. In the event the commissioner reasonably suspects impropriety on the part of a local director of health or district director of health, or employee of such director, in the performance of his or her duties, the commissioner shall provide notification and any evidence of such impropriety to the

appropriate governing authority of the municipal health authority, established pursuant to section 19a-200, or the district department of health, established pursuant to section 19a-244, for purposes of reviewing and assessing a director's or an employee's compliance with such duties. Such governing authority shall provide a written report of its findings from the review and assessment to the commissioner not later than ninety days after such review and assessment. When requested by local directors of health or district directors of health, the commissioner shall consult with them and investigate and advise concerning any condition affecting public health within their jurisdiction. The commissioner shall investigate nuisances and conditions affecting, or that he or she has reason to suspect may affect, the security of life and health in any locality and, for that purpose, the commissioner, or any person authorized by the commissioner, may enter and examine any ground, vehicle, apartment, building or place, and any person designated by the commissioner shall have the authority conferred by law upon constables. Whenever the commissioner determines that any provision of the general statutes or regulation of the Public Health Code is not being enforced effectively by a local health department or health district, he or she shall forthwith take such measures, including the performance of any act required of the local health department or health district, to ensure enforcement of such statute or regulation and shall inform the local health department or health district of such measures. In September of each year the commissioner shall certify to the Secretary of the Office of Policy and Management the population of each municipality. The commissioner may solicit and accept for use any gift of money or property made by will or otherwise, and any grant of or contract for money, services or property from the federal government, the state, any political subdivision thereof, any other state or any private source, and do all things necessary to cooperate with the federal government or any of its agencies in making an application for any grant or contract. The commissioner may enter into any contracts or agreements, in

accordance with any established procedures, as may be necessary for the distribution or use of such money, services or property in accordance with any requirements to fulfill any conditions of a gift, grant or contract. The commissioner may establish state-wide and regional advisory councils. For purposes of this section, "employee of such director" means an employee of, a consultant employed or retained by or an independent contractor retained by a local director of health, a district director of health, a local health department or a health district.

Sec. 195. Subsection (c) of section 31-225a of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(c) (1) (A) Any week for which the employer has compensated the claimant in the form of wages in lieu of notice, dismissal payments or any similar payment for loss of wages shall be considered a week of employment for the purpose of determining employer chargeability.

(B) No benefits shall be charged to any employer who paid wages of five hundred dollars or less to the claimant in his or her base period.

(C) No dependency allowance paid to a claimant shall be charged to any employer.

(D) In the event of a natural disaster declared by the President of the United States, no benefits paid on the basis of total or partial unemployment that is the result of physical damage to a place of employment caused by severe weather conditions including, but not limited to, hurricanes, snow storms, ice storms or flooding, or fire except where caused by the employer, shall be charged to any employer.

(E) If the administrator finds that (i) an individual's most recent separation from a base period employer occurred under conditions that would result in disqualification by reason of subdivision (2), (6) or (9) of subsection (a) of section 31-236, or (ii) an individual was discharged for

violating an employer's drug testing policy, provided the policy has been adopted and applied consistent with sections 31-51t to 31-51aa, inclusive, section 14-261b and any applicable federal law, no benefits paid thereafter to such individual with respect to any week of unemployment that is based upon wages paid by such employer with respect to employment prior to such separation shall be charged to such employer's account, provided such employer shall have filed a notice with the administrator within the time allowed for appeal in section 31-241.

(F) No base period employer's account shall be charged with respect to benefits paid to a claimant if such employer continues to employ such claimant at the time the employer's account would otherwise have been charged to the same extent that he or she employed him or her during the individual's base period, provided the employer shall notify the administrator within the time allowed for appeal in section 31-241.

(G) If a claimant has failed to accept suitable employment under the provisions of subdivision (1) of subsection (a) of section 31-236 and the disqualification has been imposed, the account of the employer who makes an offer of employment to a claimant who was a former employee shall not be charged with any benefit payments made to such claimant after such initial offer of reemployment until such time as such claimant resumes employment with such employer, provided such employer shall make application therefor in a form acceptable to the administrator. The administrator shall notify such employer whether or not his or her application is granted. Any decision of the administrator denying suspension of charges as herein provided may be appealed within the time allowed for appeal in section 31-241.

(H) Fifty per cent of benefits paid to a claimant under the federal-state extended duration unemployment benefits program established by the federal Employment Security Act shall be charged to the experience accounts of the claimant's base period employers in the same manner as

the regular benefits paid for such benefit year.

(I) No base period employer's account shall be charged with respect to benefits paid to a claimant who voluntarily left suitable work with such employer (i) to care for a seriously ill spouse, parent or child, or (ii) due to the discontinuance of the transportation used by the claimant to get to and from work, as provided in subparagraphs (A)(ii) and (A)(iii) of subdivision (2) of subsection (a) of section 31-236.

(J) No base period employer's account shall be charged with respect to benefits paid to a claimant who has been discharged or suspended because the claimant has been disqualified from performing the work for which he or she was hired due to the loss of such claimant's operator license as a result of a drug or alcohol test or testing program conducted in accordance with section 14-44k, 14-227a or 14-227b while the claimant was off duty.

(K) No base period employer's account shall be charged with respect to benefits paid to a claimant whose separation from employment is attributable to the return of an individual who was absent from work due to a bona fide leave taken pursuant to sections 31-49f to 31-49t, inclusive, or 31-51kk to 31-51qq, inclusive.

(L) On and after January 1, 2027, no base period employer's account shall be charged with respect to benefits paid to a claimant through the voluntary shared work unemployment compensation program, established pursuant to section 31-274j, if a claim for benefits is filed in a week in which the state is in an extended benefit period or high unemployment period, pursuant to sections 31-232b to 31-232g, inclusive. Such noncharge shall continue until the United States Secretary of Labor has notified the Labor Commissioner that such extended benefit period or high unemployment period has been triggered off.

(2) All benefits paid that are not charged to any employer shall be pooled.

(3) The noncharging provisions of this chapter, except subparagraphs (D), (F) and (K) of subdivision (1) of this subsection, shall not apply to reimbursing employers.

Sec. 196. Section 31-266c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) The administrator, upon the advice of the Attorney General, may abate any contributions or payments in lieu of contributions due under this chapter which have been found by the administrator to be uncollectible.

(b) The administrator or the administrator's duly authorized agent may make or entertain an offer of compromise for any contributions or payments in lieu of contributions due under this chapter if such offer is based upon doubt as to the employer's liability for the amount in controversy or doubt as to the collectibility of such amount. For purposes of this section, doubt as to the employer's liability for the amount in controversy exists if there is a genuine dispute as to the existence or amount of the employer's liability under this chapter, and doubt as to the collectibility of such amount exists if the employer's assets and income are less than the full amount of the employer's debts, obligations and liabilities under state or federal law.

Sec. 197. Section 31-236f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The administrator, as defined in section 31-232b, **[**in consultation with the advisory board established pursuant to section 31-250a,**]** shall develop and implement a procedure or program to insure that an employee, at the time of termination by an employer, receives adequate information regarding the availability of unemployment compensation

benefits under chapter 567 and the procedure required for making a claim for such benefits.

Sec. 198. Section 31-264a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) Unless the context requires a different meaning, the term "bonds" or "revenue bonds" under this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264b and 31-274j includes notes issued in anticipation of the issuance of revenue bonds, or notes issued pursuant to a commercial paper program.

(b) There is established a fund to be known as the Unemployment Compensation Advance Fund. The fund shall be administered by the State Treasurer as a trust fund, in accordance with the provisions of this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264b and 31-274j. The state treasurer may enter into contracts that may be useful to the organization, establishment, operation and administration of the fund under all applicable state and federal laws and may contract with any person to provide whatever services to the fund as, in the discretion of the State Treasurer, are necessary for the proper operation and administration of the fund. All costs of organizing, establishing and operating the fund, including the costs of personnel and contractual services, shall be a charge upon and paid by the State Treasurer from the fund. In addition, all costs of establishing and administering the necessary procedures for billing, payment and collection of the assessments authorized to be established by the administrator pursuant to section 31-225a shall be a charge upon and paid by the State Treasurer from the fund. All costs related to the organization, establishment and operation of the fund and all costs related to the establishment and administration of billing, payment and collection procedures for moneys received from employers in payment of assessments

established in accordance with said section 31-225a, to the extent not payable from the fund, may be paid from other moneys of the state when made available for such purpose. There is established within the fund an advance account, a debt service and reserve account and an administration account, which accounts shall be held separate and apart from each other. Additional accounts and subaccounts may be established in the proceedings under which the revenue bonds are authorized.

(c) There shall be deposited in the advance account: (1) The proceeds of revenue bonds issued by the state for deposit into the account and use in accordance with this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264b and 31-274j; (2) federal grants and awards or other federal assistance received by the state for deposit into the account or for other purposes in accordance with said sections; and (3) interest or other income earned on the investment of moneys in the advance account pending transfer or use pursuant to said sections.

(d) To the extent that amounts are available therefor in the advance account, and on request of the administrator pursuant to subsection (h) of this section, the State Treasurer shall apply the proceeds (1) to repay, in accordance with the proceedings authorizing any revenue bonds issued pursuant to this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264b and 31-274j, the outstanding balance of all or any part of the advances made to the state from the federal unemployment account under Title XII of the Social Security Act, 42 USC Sections 1321 to 1324, inclusive, and any interest due on the advances, and (2) to provide advances to the Unemployment Compensation Benefit Fund.

(e) Within the debt service and reserve account there are established the following subaccounts: (1) A reserve subaccount into which shall be deposited the proceeds of revenue bonds issued by the state for deposit

into the reserve subaccount and use in accordance with this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264b and 31-274j; and (2) a debt service subaccount into which shall be deposited, in accordance with the proceeding authorizing the bonds, the proceeds of the initial issuance of revenue bonds which are expected to be applied as capitalized interest to the extent required, and payments received from or on behalf of any employer in payment of assessments established in accordance with said sections attributable to the debt service requirement. Moneys in each subaccount created under this subsection may be applied by the State Treasurer to debt service on revenue bonds. The Treasurer shall apply amounts in the reserve subaccount to the payment of debt service on bonds whenever amounts on deposit in the debt service subaccount are insufficient. The net proceeds of any refunding bonds shall be deposited in a special subaccount within the debt service and reserve account and shall be applied solely to the retirement or redemption of the bonds to be refunded.

(f) There shall be deposited in the administration account: (1) The proceeds of revenue bonds expected to be deposited into the administration account and use in accordance with this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264b and 31-274j; and (2) any additional money received from employers in payment of assessments established in accordance with said sections, to offset the costs and expenses of administering and operating the fund. Amounts in the administration account may be applied to offset the costs and expenses of establishing, administering and operating the fund.

(g) The fund shall be maintained separate and apart from all other moneys, funds and accounts of the state. Investment earnings credited to the assets of the fund and to any account and subaccount within the fund shall become part of the assets of the fund, account and

subaccount, except as otherwise required for rebates in order to assure the excludability of the interest on the bonds from federal income taxation, as provided in the proceedings authorizing any revenue bonds. Any balance remaining in the fund at the end of any fiscal year shall be carried forward in the fund, account and subaccount for the next fiscal year.

(h) Upon the issuance of revenue bonds and to the extent there are sufficient proceeds or other amounts in the advance account available therefor, any advances to the Unemployment Compensation Benefit Fund that the administrator deems necessary for the payment of benefits under this chapter or to the Unemployment Compensation Fund for the repayment of advances made to the state from the federal unemployment account, including interest thereon, may be obtained from the advance account of the Unemployment Compensation Advance Fund. The State Treasurer shall, on request filed in writing by the administrator, withdraw from the advance account of the Unemployment Compensation Advance Fund and deposit in the Unemployment Compensation Benefit Fund, amounts determined by the administrator to be necessary for the payment of benefits under this chapter without incurring federal interest charges, or deposit in the Unemployment Compensation Fund amounts determined by the administrator to be required for the repayment of advances made to the state from the federal unemployment account, including interest thereon. The State Treasurer shall, from time to time and at least annually, determine the amount of interest, amortization, reserve and associated costs required for each advance made from the advance account under this subsection computed in accordance with the requirements of the Unemployment Compensation Fund and the proceedings under which the revenue bonds are authorized and such amounts shall be assessed by the administrator as provided in subdivision (2) of subsection (e) of section 31-225a. For purposes of this subsection, "associated costs" includes all costs related to the efficient

establishment, operation and administration of the Unemployment Compensation Advance Fund pursuant to subsection (b) of this section, and the proceedings under which the bonds are issued pursuant to this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264b and 31-274j and the costs of establishing and administering the billing, payment and collection procedures referred to in subsection (b) of this section.

(i) The moneys in the advance account may also be used to pay any costs related to the issuance of revenue bonds issued pursuant to section 31-264b and to pay any debt service thereon for which amounts on deposit in the debt service and reserve account maintained pursuant to this section are insufficient.

(j) Notwithstanding any provision of this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264b and 31-274j to the contrary, any money received from the Unemployment Compensation Fund may not be used for any purpose inconsistent with federal law, and any federal grants, awards, advances or other federal assistance referred to herein may not be used for any purpose other than that for which such amounts were granted, awarded, advanced, or otherwise appropriated, respectively.

Sec. 199. Section 31-264b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) The State Bond Commission may authorize the issuance of revenue bonds of the state in one or more series and in principal amounts necessary or estimated to be necessary as an advance to the Unemployment Compensation Fund, or to repay advances made to the state from the federal unemployment account, but not in excess of one billion dollars outstanding at any one time and such additional amount of bonds required to fund any debt service and reserve account in accordance with the proceedings authorizing the bonds and the costs of

issuance, capitalized interest, if any, and the initial costs and expenses of the administration account, provided in computing the total amount of bonds which may at any one time be outstanding, the principal amount of any refunding bonds issued to refund bonds shall be excluded. The legislature finds that it is an essential governmental function to assure that the balance in the state's account in the federal Unemployment Trust Fund is maintained at a level which is sufficient to pay all benefits and further finds that the financing and payment of the outstanding principal amount which has been advanced to the state from the federal account of the Unemployment Trust Fund and the financing and funding of the state's account in the Unemployment Trust Fund by the issuance of revenue bonds pursuant to this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j is in the public interest, will substantially result in savings of interest costs, will achieve a public purpose of reducing overall costs of providing employment benefits and will thereby foster and promote economic growth, provide employment opportunities for the residents of the state and assist companies by reducing their overall costs of doing business in the state.

(b) Bonds issued pursuant to subsection (a) of this section shall be special obligations of the state and shall not be payable from nor charged upon any funds other than the Unemployment Compensation Advance Fund and revenues pledged to the payment thereof, nor shall the state or any political subdivision thereof be subject to any liability thereon other than from such sources. The issuance of revenue bonds under the provisions of this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j shall not directly or indirectly or contingently obligate the state or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment other than the appropriation set forth in this section. The bonds shall not constitute a charge, lien or encumbrance, legal or

equitable, upon any property of the state or of any political subdivision thereof, except the Unemployment Compensation Advance Fund and revenues pledged or otherwise encumbered under the provisions and for the purpose of said sections. The substance of this limitation shall be plainly stated on the face of each bond. Revenue bonds issued pursuant to said sections shall not be subject to any statutory limitation on the indebtedness of the state and the bonds, when issued, shall not be included in computing the aggregate indebtedness of the state in respect to, and to the extent of, any such limitation. As part of the contract of the state with the owners of the revenue bonds, all amounts necessary for the punctual payment of the debt service requirements with respect to the revenue bonds shall be deemed appropriated, but only from the sources pledged pursuant to this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j.

(c) The revenue bonds referred to in subsection (a) of this section may be executed and delivered at the time or times, shall be dated, shall bear interest at the rate or rates, shall mature at the time or times not exceeding ten years from their date, have the rank or priority, be payable in the medium of payment, be issued in coupon or in registered form, or both, carry the registration and transfer privileges and be made redeemable before maturity at the price or prices and under the terms and conditions, all as may be provided by the State Bond Commission. With the exception of subsections (i) and (p) all provisions of section 3-20 and the exercise of any right or power granted thereby which are not inconsistent with the provisions of this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j are hereby adopted and may be invoked in respect to all revenue bonds authorized by the State Bond Commission pursuant to said sections. For the purposes of subsection (o) of said section 3-20, "bond act" includes said sections. None of the revenue bonds shall be authorized, except upon a finding by the State

Bond Commission that there has been filed with it a request for authorization, which is signed by or on behalf of the State Treasurer and states the terms and conditions as said commission, in its discretion, may require.

(d) The principal of and interest on any bonds issued pursuant to this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j shall be secured by a pledge of the Unemployment Compensation Advance Fund and any revenues, receipts, funds or moneys payable to the fund, including any federal grants or advances available for the fund and including the amounts of payment received from assessments established pursuant to said sections, all as set forth in the proceedings authorizing the bonds pursuant to said sections. Any pledge made by the state pursuant to said sections is a pledge within the meaning and for all purposes of title 42a and shall be valid and binding from the time when the pledge is made. Any revenues or other receipts, funds or moneys so pledged and thereafter received by the state shall be subject immediately to the lien of the pledge without any physical delivery thereof or further act. The lien of any pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the state, irrespective of whether the parties have notice of the claims. Neither this section nor sections 3-21a, 31-222, 31-225, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j, the resolution nor any other instrument by which a pledge is created need be recorded.

(e) Revenue bonds issued pursuant to this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j are hereby made securities in which public officers and public bodies of the state and its political subdivisions, all insurance companies, credit unions, savings and loan associations, investment companies, banking associations, trust

companies, executors, administrators, trustees and other fiduciaries and pension, profit-sharing and retirement funds may properly and legally invest funds, including capital in their control or belonging to them. The bonds are hereby made securities which 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 or other obligations of the state is now or may hereafter be authorized by law.

(f) The proceedings under which bonds are authorized to be issued may contain any or all of the following: (1) Provisions respecting custody of the proceeds from the sale of the bonds, including any requirement that the proceeds be deposited in the Unemployment Compensation Advance Fund and held separate from, or not be commingled with, other funds of the state; (2) provisions for the investment and reinvestment of bond proceeds and after the disposition of any excess bond proceeds or investment earnings thereon; (3) provisions for the execution of reimbursement agreements or similar agreements in connection with credit facilities, including, but not necessarily limited to, letters of credit or policies of bond insurance, remarketing agreements and agreements for the purpose of moderating interest rate fluctuations, and of such other agreements entered into pursuant to section 3-20a; (4) provisions for the collection, custody, investment, reinvestment and use of the pledged revenues or other receipts, funds or moneys pledged therefor as provided in this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j; (5) provisions regarding the establishment and maintenance of reserves, sinking funds and any other funds and accounts of the Unemployment Compensation Advance Fund pursuant to said sections and in the amounts and on the terms approved by the State Bond Commission in the amounts established by the State Bond Commission; (6) covenants for the establishment of pledged revenue coverage requirements for the bonds;

(7) provisions for the issuance of additional bonds on a parity with bonds theretofore issued, including establishment of coverage requirements with respect thereto as herein provided; (8) provisions regarding the rights and remedies available in case of a default to bondowners, noteowners or any trustee under any contract, loan agreement, document, instrument or trust indenture, including the right to appoint a trustee to represent their interests upon occurrence of an event of default, as defined in said proceedings, provided if any revenue bonds are secured by a trust indenture, the respective owners of the bonds shall have no authority, except as set forth in the trust indenture, to appoint a separate trustee to represent them; (9) provisions for the payment of rebate amounts; and (10) provisions of covenants of like or different character from the foregoing which are consistent with this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j, and which the State Bond Commission determines in such proceedings are necessary, convenient or desirable in order to better secure the revenue bonds, or will tend to make the revenue bonds more marketable, and which are in the best interests of the state. Any provision which may be included in proceedings authorizing the issuance of bonds hereunder may be included in an indenture of trust duly approved in accordance with said sections, which secures the revenue bonds issued in anticipation thereof, and in such case the provision of the indenture shall be deemed to be a part of the proceedings as though they were expressly included therein.

(g) Whether or not any revenue bonds issued pursuant to this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j are of the form and character to qualify as negotiable instruments under the terms of title 42a, the bonds are hereby made negotiable instruments within the meaning of and for all purposes of title 42a, subject only to the provisions of the bonds.

(h) The state covenants with the purchasers and all subsequent owners and transferees of revenue bonds issued by the state pursuant to this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j, in consideration of the acceptance of and payment for the bonds, that the bonds shall be free at all times from taxes levied by any municipality or political subdivision or special district having taxing powers of the state, and the principal and interest of any bonds issued under the provisions of said sections, their transfer and the income therefrom, including any profit on the sale or transfer thereof, shall at all times be exempt from any taxation by the state of Connecticut or under its authority, except for estate or succession taxes. The State Treasurer is authorized to include this covenant of the state in any agreement with the owner of any bonds and in any credit facility or reimbursement agreement with respect to the bonds.

(i) The state further covenants with the purchasers and all subsequent owners and transferees of bonds issued by the state pursuant to this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j, in consideration of the acceptance of the payment of the bonds, until the bonds, together with the interest thereon, with interest on any unpaid installment of interest and all costs and expenses in connection with any action or proceeding on behalf of the owners, are fully met and discharged or unless expressly permitted or otherwise authorized by the terms of each contract and agreement made or entered into by or on behalf of the state with or for the benefit of such owners, that the state will cause the administrator to impose, charge, raise, levy, collect and apply the pledged assessments and other revenues, receipts, funds or moneys pledged for the payment of debt service requirements in each year in which bonds are outstanding and further, that the state (1) will not limit or alter the duties imposed on the administrator, the State Treasurer and other officers of the state by the proceedings authorizing

the issuance of bonds with respect to application of pledged assessments or other revenues, receipts, funds or moneys pledged for the payment of debt service requirements; (2) will not issue any bonds, notes or other evidences of indebtedness, other than the bonds, having any rights arising out of said sections or secured by any pledge of or other lien or charge on the pledged revenues or other receipts, funds or moneys pledged for the payment of debt service requirements; (3) will not create or cause to be created any lien or charge on the pledged amounts, other than a lien or pledge created thereon pursuant to said sections, provided nothing in this subsection shall prevent the state from issuing evidences of indebtedness (A) which are secured by a pledge or lien which is, and shall on the face thereof, be expressly subordinate and junior in all respects to every lien and pledge created by or pursuant to said sections; or (B) which are secured by a pledge of or lien on moneys or funds derived on or after the date every pledge or lien thereon created by or pursuant to said sections shall be discharged and satisfied; (4) will carry out and perform, or cause to be carried out and performed, each and every promise, covenant, agreement or contract made or entered into by the state or on its behalf with the owners of any bonds; (5) will not in any way impair the rights, exemptions or remedies of the owners; and (6) will not limit, modify, rescind, repeal or otherwise alter the rights or obligations of the appropriate officers of the state to impose, maintain, charge or collect the assessments and other revenues or receipts constituting the pledged revenues as may be necessary to produce sufficient revenues to fulfill the terms of the proceedings authorizing the issuance of the bonds, including pledged revenue coverage requirements, and provided nothing herein shall preclude the state from exercising its power, through a change in law, to limit, modify, rescind, repeal or otherwise alter the character of the pledged assessments or revenues or to substitute like or different sources of assessments, taxes, fees, charges or other receipts as pledged revenues if and when adequate provision shall be made by law for the protection of the holders of outstanding bonds pursuant to the proceedings under

which the bonds are issued, including changing or altering the method of establishing the assessments as provided in subparagraph (B) of subdivision (2) of subsection (e) of section 31-225a. The State Bond Commission is authorized to include this covenant of the state, as a contract of the state, in any agreement with the owner of any bonds and in any credit facility or reimbursement agreement with respect to the bonds.

(j) Pending the use and application of any bond proceeds, the proceeds may be invested by, or at the direction of, the State Treasurer in obligations listed in section 3-20.

(k) Any revenue bonds issued under the provisions of this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j and at any time outstanding may, at any time and from time to time, be refunded by the state by the issuance of its revenue refunding bonds in whatever amounts the State Bond Commission may deem necessary, but not to exceed an amount sufficient to refund the principal of the revenue bonds to be so refunded, to pay any unpaid interest thereon and any premiums and commissions necessary to be paid in connection therewith and to pay costs and expenses which the State Treasurer may deem necessary or advantageous in connection with the authorization, sale and issuance of refund bonds. Any such refunding may be effected whether the revenue bonds to be refunded shall have matured or shall thereafter mature. All revenue refunding bonds issued hereunder shall be payable solely from the Unemployment Compensation Advance Fund and revenues or other receipts, funds or moneys out of which the revenue bonds to be refunded thereby are payable and shall be subject to and may be secured in accordance with the provisions of this section.

(l) The State Treasurer shall have power, out of any funds available therefor, to purchase revenue bonds issued pursuant to this section and sections 3-21a, 31-222, 31-225a, 31-231a, 31-232b, 31-232d, 31-232f, 31-

236, **[**31-250a,**]** 31-259, 31-263, 31-264a and 31-274j. The State Treasurer may hold, pledge, cancel or resell the bonds, subject to and in accordance with agreements with bondholders.

Sec. 200. Section 31-250a of the general statutes is repealed. (*Effective October 1, 2026*)

Sec. 201. Subdivision (2) of section 31-76b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(2) (A) "Hours worked" **[**include**]** includes all time during which an employee is required by the employer to be on the employer's premises or to be on duty, or to be at the prescribed work place, and all time during which an employee is employed or permitted to work, whether or not required to do so, provided time allowed for meals shall be excluded unless the employee is required or permitted to work. Such time includes, but shall not be limited to, (i) the time when an employee is required to wait on the premises while no work is provided by the employer, and (ii) the time an employee spends in security screenings required by an employer. (B) All time during which an employee is required to be on call for emergency service at a location designated by the employer shall be considered to be working time and shall be paid for as such, whether or not the employee is actually called upon to work. (C) When an employee is subject to call for emergency service but is not required to be at a location designated by the employer but is simply required to keep the employer informed as to the location at which he may be contacted, or when an employee is not specifically required by his employer to be subject to call but is contacted by his employer or on the employer's authorization directly or indirectly and assigned to duty, working time shall begin when the employee is notified of his assignment and shall end when the employee has completed his assignment. (D) Notwithstanding the provisions of this subdivision, when an individual employed by a third-party provider to provide

"companionship services", as defined in the regulations of the federal Fair Labor Standards Act, is required to be present at a worksite for a period of not less than twenty-four consecutive hours, such individual and his or her employer may agree in writing to exclude a regularly scheduled sleeping period of not more than eight hours from hours worked, provided (i) adequate on-site sleeping facilities are furnished to such individual, and (ii) such individual receives at least five hours of sleep time. If the scheduled sleeping period is more than eight hours, only eight hours will be excluded. If the scheduled sleeping period is interrupted by an assignment to work, the interruption shall be counted as hours worked. If such individual does not receive at least five hours of sleep time during the scheduled sleeping period, the entire sleeping period shall be considered hours worked. The provisions of this subparagraph shall be effective on and after the effective date of the United States Department of Labor's Final Rule concerning the Application of the federal Fair Labor Standards Act to Domestic Service published in the Federal Register of October 1, 2013;

Sec. 202. (*Effective from passage*) (a) There is established a task force to study and provide recommendations on the establishment of heat safety standards for workplaces. The study shall include, but need not be limited to, an examination of (1) best practices to prevent employee exposure to the risk of heat illness, and (2) laws and regulations governing heat safety standards implemented in other states.

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

(1) The chairpersons and ranking members of the joint standing committee of the General Assembly having cognizance of matters relating to labor and public employees, or their designees;

(2) One appointed by the speaker of the House of Representatives, who is a member of an organization that advocates for the prevention of sudden death from exertional heat stroke;

(3) One appointed by the president pro tempore of the Senate;

(4) One appointed by the majority leader of the House of Representatives;

(5) One appointed by the majority leader of the Senate;

(6) One appointed by the minority leader of the House of Representatives;

(7) One appointed by the minority leader of the Senate; and

(8) The Labor Commissioner, or the commissioner's designee.

(c) Any member of the task force appointed under subdivision (2), (3), (4), (5), (6) or (7) of subsection (b) of this section may be a member of the General Assembly.

(d) All initial appointments to the task force shall be made not later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.

(e) The chairpersons of the joint standing committee of the General Assembly having cognizance of matters relating to labor and public employees, or their designees, shall be the chairpersons of the task force. Such chairpersons shall schedule the first meeting of the task force, which shall be held not later than sixty days after the effective date of this section.

(f) The administrative staff of the joint standing committee of the General Assembly having cognizance of matters relating to labor and public employees shall serve as administrative staff of the task force.

(g) Not later than January 1, 2027, the task force shall submit a report on its findings and recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to labor

and public employees, in accordance with the provisions of section 11-4a of the general statutes. The task force shall terminate on the date that it submits such report or January 1, 2027, whichever is later.

Sec. 203. Subsection (a) of section 31-102 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) There shall continue to be in the Labor Department the Connecticut State Board of Labor Relations, which shall be composed of three members. On or before June first in the odd-numbered years, as the term of each member expires, the Governor shall, with the advice and consent of the General Assembly, appoint a successor to serve for a term of six years. Each member of the board shall have been an elector in this state for at least one year next preceding his appointment. Any member may be removed by the Governor for cause shown in a public hearing after the accused has been given a copy of the charges made and has had an opportunity to answer such charges. The Governor shall fill any vacancy by appointment for the unexpired term. No member shall receive a salary but each member shall be paid **[**one hundred fifty**]** <u>three hundred</u> dollars in lieu of expenses for each day during which he is engaged in the duties of the board. The offices of the board shall be in the department at Wethersfield. The board is authorized to hold hearings at any place in this state. Subject to the provisions of chapter 67, the board shall appoint such employees, including an assistant to the agent, for such periods as may be necessary to carry out the work of the board and the provisions of this chapter without undue delay. All files, records and documents accumulated by the board shall be kept in offices provided by the department. All decisions shall be made by a majority of the board and a copy shall be filed with the commissioner. As provided in section 4-60 and more frequently if required by the governor, the board shall make a written report to the Governor, a copy of which shall be filed with the commissioner.

Sec. 204. Section 31-98 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) The panel, or its single member if sitting in accordance with section 31-93, may, in its discretion and with the consent of the parties, issue an oral decision immediately upon conclusion of the proceedings. If the decision is to be in writing, it shall be signed, within fifteen days, by a majority of the members of the panel or by the single member so sitting, and the decision shall state such details as will clearly show the nature of the decision and the points disposed of by the panel. Where the decision is in writing, one copy thereof shall be filed by the panel in the office of the town clerk in the town where the controversy arose and one copy shall be given to each of the parties to the controversy. The panel or single member which has rendered an oral decision immediately upon conclusion of the proceedings shall submit a written copy of the decision to each party within fifteen days from the issuance of such oral decision. In all cases where a decision is rendered orally from the bench, the secretary shall cause such oral decision to be transcribed, approved by the panel or single member as applicable and filed with the records of the board proceedings.

(b) Upon the conclusion of the proceedings, each member of the panel shall receive **[**three hundred twenty-five**]** five hundred dollars and a panel member who prepares a written decision shall receive an additional **[**five hundred**]** one thousand dollars, or the single member, if sitting in accordance with section 31-93, shall receive **[**three hundred twenty-five**]** five hundred dollars, provided if the proceedings extend beyond one day, each member shall receive **[**three hundred twenty-five**]** five hundred dollars for each additional day beyond the first day, and provided further no proceeding may be extended beyond two days without the prior approval of the Labor Commissioner for each such additional day.

(c) Upon the conclusion of an executive panel session, each member

of such panel shall receive **[**two**]** three hundred dollars.

Sec. 205. Section 228 of public act 25-168 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Comptroller shall conduct a study on the compensation of transportation network company drivers and third-party delivery company drivers in the state. In conducting such study, the Comptroller shall obtain and analyze data and information related to income earned by transportation network company drivers and third-party delivery company drivers for services provided by such drivers in the state and costs directly attributable to providing such services. Such data and information shall be aggregated in a manner that does not report personally identifiable information and shall exclude any proprietary, trade secret, competitively sensitive or otherwise confidential commercial information that is not publicly available. The Comptroller may enter into a contract with a consultant in order to conduct such study. Not later than **[**July 1, 2026**]** October 1, 2026, the Comptroller shall file a report on such data and information, in accordance with the provisions of section 11-4a of the general statutes, with the joint standing committee of the General Assembly having cognizance of matters relating to labor and public employees.

(b) The Comptroller shall, within available appropriations, spend not more than one hundred thousand dollars on conducting such study.

Sec. 206. Section 44 of public act 26-12 is repealed and the following is substituted in lieu thereof (*Effective July 1, 2027*):

(a) As used in this section and sections 45 to 47, inclusive, of **[**this act**]** public act 26-12:

(1) "Public utility pole" means a pole, including a portion of a pole, owned by a telephone company or an electric distribution company that is used to support wires for (A) the distribution of electricity, (B)

telecommunications services, as defined in section 16-247a of the general statutes, or (C) the lighting of streets or sidewalks;

(2) "Double utility poles" means a replacement public utility pole built or installed alongside, or attached to, an existing public utility pole, or a portion of an existing public utility pole, for the purpose of transferring the wires from the existing utility pole to the replacement utility pole, provided the existing public utility pole, including any portion of such utility pole, has not been removed after the installation of the replacement utility pole;

(3) "Utility pole custodian" means the electric distribution company or telephone company with a duty to maintain a public utility pole;

(4) "Utility pole attachment database system" means a software system designated by the Public Utilities Regulatory Authority for the purpose of maintaining a database of attachments to public utility poles in the state;

(5) "User" means any person or entity that is not the owner of a public utility pole who maintains equipment of any sort on such pole, except when a public utility pole is owned by more than one person or entity, the person or entity that is a partial owner of such pole and that is not performing the removal or replacement work shall be considered a "user" for the purposes of this section and section 45 of **[**this act**]** public act 26-12. "User" does not include any municipality or political subdivision of the state or an electric distribution company if such company owns the public utility pole;

(6) "Electric distribution company" has the same meaning as provided in section 16-1 of the general statutes;

(7) "Telephone company" has the same meaning as provided in section 16-1 of the general statutes; and

(8) "Complex transfer" means work to transfer a public utility pole attachment that would be reasonably likely to cause a service outage or damage to any other such attachments, including work such as splicing a communication attachment or relocating existing wireless attachments. Any transfer involving mobile, fixed, and point-to-point wireless communications and attachments owned by wireless Internet service providers shall be deemed a complex transfer.

(b) A utility pole custodian, or the custodian's agent, shall deliver notice of any removal and replacement work concerning such utility pole to each user of such utility pole not more than seventy-two hours (1) after starting any such work if such work is planned, or (2) after such work is completed if such work was unplanned and necessary to correct a hazardous condition on an emergency basis. Such notice shall describe the location of the public utility pole, the nature of the work completed or to be completed, the date upon which such work was completed or is to be completed and the delivery date of such notice. Such notice shall be delivered to each user of the public utility pole by electronic means through the utility pole attachment database system.

(c) Except as provided in section 46 of **[**this act**]** public act 26-12, each user of a public utility pole, except an electric distribution company, that receives notice of work pursuant to subsection (b) of this section shall transfer its equipment from the existing public utility pole to the replacement public utility pole not later than (1) twenty days after receiving such notice if such notice requires the transfer of equipment from fifty or fewer public utility poles, or (2) forty-five days after receiving such notice if such notice requires the transfer of equipment from greater than fifty public utility poles. Except as provided in section 46 of public act 26-12, each user that is an electric distribution company that receives notice of work pursuant to subsection (b) of this section shall transfer its equipment from the existing public utility pole to the replacement public utility pole not later than forty-five days after

receiving such notice. Upon the completion of the work to transfer equipment pursuant to this subsection, the user shall provide notice by electronic means through the utility pole attachment database system to the utility pole custodian that such work has been completed.

(d) (1) Except as provided in section 46 of **[**this act**]** public act 26-12, if a user fails to complete the work required to transfer the user's equipment in the time required under subsection (c) of this section, the telephone company, or such company's agent, may complete such work on the user's behalf. Such company, or such company's agent, may submit a bill to such user based on the prevailing rate of wages established pursuant to section 31-53 of the general statutes, as amended by **[**this act**]** public act 26-12, for any such work completed on behalf of such user. Such user shall pay such bill not later than sixty days after receipt.

(2) A user shall not be in violation of this section if (A) such user is prevented from timely completing the transfer of such user's equipment due solely to a municipality's failure to timely remove or transfer any equipment owned by such municipality or a political subdivision of the municipality, (B) a telephone company, or such company's agent, fails to complete any work required to transfer such user's equipment pursuant to subdivision (1) of this subsection, or (C) the user can demonstrate good cause to the authority why such user failed to timely complete such transfer, including, but not limited to, the presence of an unidentified attachment to a public utility pole, a significant weather event that precludes or delays the timely completion of required work, the existence of a declared emergency in the state, or if the transfer is a complex transfer. Nothing in this section shall be construed to excuse such user from completing such work within a reasonable period of time, considering the circumstances of such work, as determined by the authority.

(e) (1) Except as provided in subdivision (2) of this subsection, a user

that fails to transfer the user's equipment to a replacement public utility pole in compliance with subsection (c) of this section or fails to pay a bill submitted to such user pursuant to subsection (d) of this section within sixty days of receipt shall be in violation of this section. The Public Utilities Regulatory Authority may impose, by order of the authority, a civil penalty not to exceed one hundred dollars for each violation of subsection (c) of this section, and in the case of a continued violation, each day thereof shall be deemed a separate violation. The authority shall impose any such civil penalty in accordance with the procedure established in section 16-41 of the general statutes.

(2) The authority shall impose no penalty on a user pursuant to this subsection if (A) the user of a public utility pole was prevented from completing the transfer of such user's equipment due solely to a municipality's failure to timely remove or transfer any equipment owned by such municipality or a political subdivision of the municipality, (B) a telephone company, or such company's agent, fails to complete any work required to transfer such user's equipment pursuant to subsection (d) of this section, or (C) the user can demonstrate good cause to the authority why such user failed to timely complete such transfer, including, but not limited to, the presence of an unidentified attachment to a public utility pole, a significant weather event that precludes or delays the timely completion of required work, the existence of a declared emergency in the state, or if the transfer is a complex transfer. If the authority finds the user has demonstrated good cause pursuant to subparagraph (C) of this subdivision, the authority shall issue a written decision that articulates the basis for such finding.

(f) (1) An electric distribution company or telephone company that removes a public utility pole, including any portion of such a utility pole, and installs a replacement public utility pole shall complete the transfer of any wires or equipment owned by the electric distribution company or telephone company not later than forty-five days after such

company receives notice of work pursuant to subsection (b) of this section.

(2) An electric distribution company or telephone company that fails to comply with subdivision (1) of this subsection shall be in violation of this section. The Public Utilities Regulatory Authority may impose, by order of the authority, a civil penalty not to exceed one hundred dollars for each violation of this subsection, and in the case of a continued violation, each day thereof shall be deemed a separate violation. The authority shall impose any such civil penalty in accordance with the procedure established in section 16-41 of the general statutes, except when such company can demonstrate good cause to the authority why such company failed to timely complete such transfer, including, but not limited to, the presence of an unidentified attachment to a public utility pole, a significant weather event that precludes or delays the timely completion of required work, the existence of a declared emergency in the state, or if the transfer is a complex transfer. If the authority finds the company has demonstrated good cause, the authority shall issue a written decision that articulates the basis for such finding.

(g) The Public Utilities Regulatory Authority shall remit the amount of any civil penalty collected pursuant to this section or section 45 of **[**this act**]** public act 26-12, to the Commissioner of Social Services for the purpose of providing funding for the Connecticut energy assistance program administered by the commissioner pursuant to section 17b-2 of the general statutes.

(h) The Public Utilities Regulatory Authority may adopt regulations, in accordance with chapter 54 of the general statutes, to implement the provisions of this section and section 45 of **[**this act**]** public act 26-12.

Sec. 207. Section 32-9y of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) As used in this section:

(1) "Commissioner" means the Commissioner of Economic and Community Development; and

(2) "Greyfield" means any previously developed commercial retail or office property that (A) is economically nonviable in its current state and exhibits conditions that significantly complicate its redevelopment or reuse, as determined by the commissioner; and (B) is not currently eligible for any brownfield remediation and development program provided in chapter 588gg.

(b) On and after July 1, 2025, the commissioner may use bond funds and available resources to provide not more than fifty million dollars in the aggregate for grants or loans in support of major projects selected pursuant to subsection (c) of this section.

(c) On and after July 1, 2025, the commissioner, in coordination with the Commissioner of Housing, the Connecticut Municipal Redevelopment Authority and the Capital Region Development Authority, may establish a greyfield revitalization program, which shall provide grants or loans to facilitate the renovation and repurposing of commercial retail and office space determined by the Commissioner of Economic and Community Development to be a greyfield and to provide grants to the Connecticut Municipal Redevelopment Authority or the Capital Region Development Authority to provide grants or loans to facilitate the renovation and repurposing of such commercial retail and office space. The commissioner shall develop a competitive application process and criteria to (1) evaluate applications submitted pursuant to this subsection, and (2) select projects for funding pursuant to subsection (b) of this section.

(d) Eligible use of grant or loan funds include: (1) Architectural and engineering assessment of buildings and site readiness to determine

suitability for conversion to multi-family housing; (2) demolition; (3) remediation and abatement of building materials that were used in accordance with the State Building Code when the structure was constructed; (4) renovation or conversion construction costs; (5) planning studies to assess the viability of one or more potential future project sites under the program; and (6) reasonable administrative expenses not to exceed five per cent of any grant awarded.

(e) Financial assistance awarded pursuant to this section shall be exempt from the provisions of section 32-462.

(f) The commissioner may contract with nongovernmental entities, including, but not limited to, nonprofit organizations, economic and community development organizations, lending institutions, and technical assistance providers to carry out the provisions of this section.

(g) The provisions of this section in relation to the renovation and repurposing of commercial retail and office space shall apply solely within the territorial boundaries of the capital city economic development district, as defined in section 32-600, and the town of East Hartford.

Sec. 208. (NEW) (*Effective October 1, 2026*) (a) The Chief Workforce Officer shall establish a program to serve residents of the Clay Arsenal neighborhood in the city of Hartford by connecting such residents seeking employment, training or career advancement to employment opportunities. Such program shall be known as the Clay Arsenal Workforce Readiness Program. In establishing such program the commissioner shall:

(1) Establish and maintain a listing of available (A) job opportunities, (B) training programs, (C) credentials, as defined in section 10a-35b of the general statutes, offered in the state, (D) apprenticeships, and (E) employment support services;

(2) Establish and maintain relationships with employers, workforce development groups, education institutions and community-based organizations in the region in order to:

(A) Identify workforce needs and hiring opportunities in the state;

(B) Support the development of training and pipeline programs; and

(C) Establish a referral process to refer participating residents to employers;

(3) Assist participating residents in meeting workplace expectations or requirements by:

(A) Assessing participating residents' workforce readiness;

(B) Identifying gaps in required training, education or support services;

(C) Facilitating training opportunities; and

(D) Developing career pathway programs that align with regional employer demand; and

(4) Provide residents with employment and training opportunities based on the residents' skills, interest, readiness and current employer demand.

(b) The Chief Workforce Officer may contract with nongovernmental entities that provide workforce development opportunities and training to carry out the provisions of this section.

(c) Not later than January 1, 2027, and annually thereafter, the Chief Workforce Officer shall submit a report on the program, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of

matters relating to finance, revenue and bonding. Such report shall include (1) a list identifying the participating employers, workforce development groups, education institutions and community-based organizations, (2) a description of the level of support provided by each such participating entity, (3) a summary of the way in which the coordination among such entities is structured and implemented, (4) identification of the performance outcomes of the program, including, but not limited to, participant engagement, training enrollment and completion by participants and job placement of participants, and (5) recommendations for program improvement.

Sec. 209. Section 16-256*l* of the 2026 supplement to the general statutes, as amended by section 62 of public act 26-1, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section, "provider" means a telephone or telecommunications company providing local telephone service, provider of commercial mobile radio service, as defined in 47 CFR Section 20.3, as amended from time to time, and voice over Internet protocol service provider, as defined in section 28-30b.

(b) **[**On**]** (1) For each monthly period commencing on and after July 1, 2026, each provider shall assess against each subscriber a fee in an amount equal to five cents per month per access line. Each fee assessed under this **[**subsection**]** subdivision shall be remitted **[**to the office of the State Treasurer for deposit into the firefighters cancer relief account established pursuant to section 7-313h, not later than the fifteenth day of each month. No part of any fee assessed under this subsection shall be subject to a refund.**]** pursuant to the provisions of subdivisions (2) and (3) of this subsection.

(2) Each provider shall report all fees assessed pursuant to subdivision (1) of this subsection and remit such fees at such time and in the same manner as such provider files a return and remits a tax

payment pursuant to section 12-414. Such report shall include, but need not be limited to, the number of access lines on which such fee was assessed and the total amount of such fees collected during such tax period or each month of such tax period, as applicable. Such fees shall not be included in gross receipts on such return.

(3) Not later than August 1, 2026, and each month thereafter, the Commissioner of Revenue Services shall deposit all fees remitted pursuant to subdivision (2) of this subsection into the firefighter's cancer relief account established pursuant to section 7-313h.

(c) Not later than May 1, 2026, the provider shall provide written notice to each subscriber disclosing the amount and frequency of such fee.

(d) No part of any fee assessed pursuant to subsection (b) of this section shall be subject to a refund.

[(d)**]** (e) The fee described in subsection (b) of this section shall not apply to any prepaid wireless telecommunications service, as defined in section 28-30b.

Sec. 210. Subparagraph (B) of subdivision (9) of subsection (a) of section 12-407 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(B) "Gross receipts" do not include any of the following: (i) Cash discounts allowed and taken on sales; (ii) any portion of the sales price of property returned by purchasers, which upon rescission of the contract of sale is refunded either in cash or credit, provided the property is returned within ninety days from the date of sale; (iii) the amount of any tax, not including any manufacturers' or importers' excise tax, imposed by the United States upon or with respect to retail sales whether imposed upon the retailer or the purchaser; (iv) the amount charged for labor rendered in installing or applying the

property sold, provided such charge is separately stated and exclusive of such charge for any service rendered within the purview of subparagraph (I) of subdivision (37) of this subsection; (v) unless the provisions of subdivision (4) of section 12-430 or of section 12-430a are applicable, any amount for which credit is given to the purchaser by the retailer, provided such credit is given solely for property of the same kind accepted in part payment by the retailer and intended by the retailer to be resold; (vi) the full face value of any coupon used by a purchaser to reduce the price paid to the retailer for an item of tangible personal property, whether or not the retailer will be reimbursed for such coupon, in whole or in part, by the manufacturer of the item of tangible personal property or by a third party; (vii) the amount charged for separately stated compensation, fringe benefits, workers' compensation and payroll taxes or assessments paid to or on behalf of employees of a retailer who has contracted to manage a service recipient's property or business premises and renders management services described in subparagraph (I) or (J) of subdivision (37) of this subsection, provided the employees perform such services solely for the service recipient at its property or business premises and "gross receipts" shall include the separately stated compensation, fringe benefits, workers' compensation and payroll taxes or assessments paid to or on behalf of any employee of the retailer who is an officer, director or owner of more than five per cent of the outstanding capital stock of the retailer. Determination whether an employee performs services solely for a service recipient at its property or business premises for purposes of this subdivision shall be made by reference to such employee's activities during the time period beginning on the later of the commencement of the management contract, the date of the employee's first employment by the retailer or the date which is six months immediately preceding the date of such determination; (viii) the amount charged for separately stated compensation, fringe benefits, workers' compensation and payroll taxes or assessments paid to or on behalf of (I) a leased employee, or (II) a worksite employee by a

professional employer organization pursuant to a professional employer agreement. For purposes of this subparagraph, an employee shall be treated as a leased employee if the employee is provided to the client at the commencement of an agreement with an employee leasing organization under which at least seventy-five per cent of the employees provided to the client at the commencement of such initial agreement qualify as leased employees pursuant to Section 414(n) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, or the employee is added to the client's workforce by the employee leasing organization subsequent to the commencement of such initial agreement and qualifies as a leased employee pursuant to Section 414(n) of said Internal Revenue Code of 1986 without regard to subparagraph (B) of paragraph (2) thereof. A leased employee, or a worksite employee subject to a professional employer agreement, shall not include any employee who is hired by a temporary help service and assigned to support or supplement the workforce of a temporary help service's client; (ix) the amount received by a retailer from a purchaser as the battery deposit that is required to be paid under subsection (a) of section 22a-256h; the refund value of a beverage container that is required to be paid under subsection (a) of section 22a-244 or a deposit that is required by law to be paid by the purchaser to the retailer and that is required by law to be refunded to the purchaser by the retailer when the same or similar tangible personal property is delivered as required by law to the retailer by the purchaser, if such amount is separately stated on the bill or invoice rendered by the retailer to the purchaser; **[**and**]** (x) the amount charged for separately stated compensation, fringe benefits, workers' compensation and payroll taxes or assessments paid to a media payroll services company, as defined in this subsection; and (xi) the amount of any subscriber fee assessed pursuant to section 16-256*l*.

Sec. 211. (NEW) (*Effective from passage*) During the fiscal year ending June 30, 2026, and each fiscal year thereafter, the Department of Social

Services shall, in consultation with the Secretary of the Office of Policy and Management, divert federal Medicaid revenue resulting from disproportionate share hospital claiming at John Dempsey Hospital in an amount to be determined by the secretary, not to exceed an amount equal to $15,000,000 multiplied by the number of hospitals owned and operated by The University of Connecticut Health Center Joint Venture Initiative at any point during such fiscal year. Such revenue shall be diverted and transferred to The University of Connecticut Health Center to support operational costs associated with The University of Connecticut Health Center Joint Venture Initiative. The Department of Social Services and The University of Connecticut Health Center shall enter into a memorandum of understanding to effectuate the transfer of such funds.

Sec. 212. (*Effective July 1, 2026*) For the fiscal year ending June 30, 2027, the Department of Social Services may, with the approval of the Secretary of the Office of Policy and Management, establish receivables for the collection of revenue anticipated under section 12-263q of the general statutes.

Sec. 213. (*Effective from passage*) The sum of $1,500,000 shall be reduced from the amount appropriated to The University of Connecticut Health Center, for Operating Expenses, for the fiscal year ending June 30, 2027.

Sec. 214. (*Effective from passage*) The sum of $1,500,000 is appropriated to the Department of Social Services for the fiscal year ending June 30, 2027, for the purpose of funding the Medicaid state share to allow for the expansion of the physician supplemental payment issued to The University of Connecticut Health Center under the Medicaid program.

Sec. 215. (NEW) (*Effective January 1, 2027*) (a) For the purposes of this section:

(1) "Campus" has the same meaning as provided in section 19a-508c

of the general statutes;

(2) "Health system" has the same meaning as provided in section 19a-508c of the general statutes;

(3) "Hospital" has the same meaning as provided in section 19a-490 of the general statutes; and

(4) "Infusion center" means a site that offers intravenous infusions and intramuscular or subcutaneous injections of medications, fluids or biological products for complex medical conditions, including, but not limited to, cancers and autoimmune disorders.

(b) Any hospital or health system that schedules a patient for any infusion or injection service to be provided at a hospital-based outpatient infusion center located outside the hospital campus shall, at the time of scheduling, provide the patient with a written notice disclosing that such patient may incur financial liability for such service that is greater than the financial liability such patient would incur for such service if such service were provided at a non-hospital-based infusion center.

Sec. 216. (NEW) (*Effective January 1, 2027*) (a) For the purposes of this section:

(1) "Campus" has the same meaning as provided in section 19a-508c of the general statutes;

(2) "Hospital" has the same meaning as provided in section 19a-490 of the general statutes;

(3) "Infusion center" means a site that offers intravenous infusions and intramuscular or subcutaneous injections of medications, fluids or biological products for complex medical conditions, including, but not limited to, cancers and autoimmune disorders;

(4) "Utilization review" has the same meaning as provided in section 38a-591a of the general statutes; and

(5) "Utilization review company" has the same meaning as provided in section 38a-591a of the general statutes.

(b) Each insurer, health care center, hospital service corporation, medical service corporation, fraternal benefit society or other entity that delivers, issues for delivery, renews, amends or continues an individual or group health insurance policy in this state providing coverage of the type specified in subdivisions (1), (2), (4), (11) and (12) of section 38a-469 of the general statutes, or utilization review company that conducts utilization review for such insurer, center, corporation, society or entity, and issues prior authorization for, or precertifies, any infusion or injection service to be provided at an infusion center on or after January 1, 2027, shall, at the time of issuing such prior authorization or precertification for such service, provide the covered person with written notice disclosing that if such service is provided at any hospital-based outpatient infusion center located outside the hospital campus, such covered person may incur financial liability that is greater than the financial liability such covered person would incur for such service if such service were provided at a non-hospital-based infusion center.

Sec. 217. (*Effective from passage*) (a) As used in this section:

(1) "Campus" has the same meaning as provided in section 19a-508c of the general statutes;

(2) "Facility fee" has the same meaning as provided in section 19a-508c of the general statutes;

(3) "Hospital" has the same meaning as provided in section 19a-490 of the general statutes;

(4) "Infusion center" means a site that offers intravenous infusions

and intramuscular or subcutaneous injections of medications, fluids or biological products for complex medical conditions, including, but not limited to, cancers and autoimmune disorders; and

(5) "Surprise bill" has the same meaning as provided in section 38a-477aa of the general statutes.

(b) The Insurance Department, in consultation with the Office of the Healthcare Advocate, shall conduct a study of (1) potential methods to lower the costs associated with infusion and injection services provided at hospital-based outpatient infusion centers located outside hospital campuses, (2) appropriate patient protections for stop-loss insurance coverage used in conjunction with self-funded employee health benefit plans, and (3) surprise bills for ground ambulance services.

(c) Not later than October 1, 2027, the Insurance Department shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to insurance on the results and recommendations of the study conducted pursuant to subsection (b) of this section. Such report shall include, but need not be limited to, recommendations concerning:

(1) Whether payments for services provided at an infusion center should be (A) set at not greater than ten per cent above the Medicare average sales price calculated in accordance with 42 CFR 414.904, as amended from time to time, or a different reimbursement rate payable under Medicare, or (B) based on data from the all-payer claims database established under section 19a-755a of the general statutes; and

(2) Whether a facility fee for services provided at an infusion center should be prohibited.

Sec. 218. Subdivision (2) of subsection (a) of section 38a-477i of the general statutes is repealed and the following is substituted in lieu

thereof (*Effective October 1, 2026*):

(2) "Anti-steering clause" means any provision, including, but not limited to, any utilization management provision, in a health care contract that restricts the ability of the health carrier or health plan administrator from encouraging an enrollee to obtain a health care service from a competitor of a hospital or health system, including offering incentives to encourage enrollees to utilize specific health care providers such as centers of excellence or any other pay-for-performance program;

Sec. 219. Section 12-71e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026, and applicable to assessment years commencing on or after October 1, 2026*):

(a) Notwithstanding the provisions of any special act, municipal charter or home rule ordinance, (1) for the assessment year commencing October 1, 2016, the mill rate for motor vehicles shall not exceed 39 mills, (2) for the assessment years commencing October 1, 2017, to October 1, 2020, inclusive, the mill rate for motor vehicles shall not exceed 45 mills, and (3) for the assessment year commencing October 1, 2021, and each assessment year thereafter, the mill rate for motor vehicles shall not exceed 32.46 mills.

(b) Any municipality or district may establish a mill rate for motor vehicles that is equal to or lower than 32.46 mills, including zero mills. Such mill rate may be different from the mill rate for real property and personal property other than motor vehicles to comply with the provisions of this section, provided the mill rate for motor vehicles is lower than the mill rate for real property and personal property. No district or borough may set a motor vehicle mill rate that if combined with the motor vehicle mill rate of the town, city, consolidated town and city or consolidated town and borough in which such district or borough is located would result in a combined motor vehicle mill rate

(1) above 39 mills for the assessment year commencing October 1, 2016, (2) above 45 mills for the assessment years commencing October 1, 2017, to October 1, 2020, inclusive, or (3) above 32.46 mills for the assessment year commencing October 1, 2021, and each assessment year thereafter.

(c) Notwithstanding the provisions of any special act, municipal charter or home rule ordinance, a municipality or district that set a motor vehicle mill rate prior to May 7, 2022, for the assessment year commencing October 1, 2021, may, by vote of its legislative body, or if the legislative body is a town meeting, the board of selectmen, revise such mill rate to meet the requirements of this section, provided such revision occurs not later than June 15, 2022.

(d) Notwithstanding the provisions of section 12-112, any board of assessment appeals of a municipality that mailed or distributed, prior to October 31, 2017, bills to taxpayers for motor vehicle property taxes based on assessments made for the assessment year commencing October 1, 2016, shall hear or entertain any appeals related to such assessments not later than December 15, 2017.

(e) The Secretary of the Office of Policy and Management shall notify the chief executive officer of each municipality:

(1) Annually, (A) of the municipality's option to reduce the mill rate for motor vehicles to lower than 32.46 mills, including zero mills, and (B) that such mill rate may be different from the mill rate for real property and personal property other than motor vehicles to comply with the provisions of this section, provided the mill rate for motor vehicles is lower than the mill rate for real property and personal property; and

(2) In advance of the implementation of a municipality's revaluation pursuant to section 12-62, of the municipality's option to consider and evaluate the reduction of the mill rate for motor vehicles in the same

fiscal year in which the revaluation is implemented.

(f) Notwithstanding the provisions of subsections (a) and (b) of this section and subdivision (1) of subsection (e) of this section, the city of Bridgeport may establish a mill rate for motor vehicles that is equal to or greater than the mill rate for real property and personal property, provided such motor vehicle mill rate shall not exceed 32.46 mills.

[(f)**]** (g) For the purposes of this section, "municipality" means any town, city, borough, consolidated town and city, consolidated town and borough and "district" has the same meaning as provided in section 7-324.

Sec. 220. (*Effective from passage*) The Legislative Commissioners' Office shall, in codifying the provisions of this act, make such technical, grammatical and punctuation changes as are necessary to carry out the purposes of this act, including, but not limited to, correcting inaccurate internal references.

Sec. 221. Section 3-13m of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For purposes of this section, "virtual currency" has the same meaning as provided in section 36a-596.

[Neither**]** (b) Except as provided in subsection (c) of this section, neither the state nor any political subdivision of the state shall (1) accept or require payment in the form of virtual currency for an amount due to the state or the political subdivision, **[**or (2) purchase, hold, invest in or**]** (2) establish a reserve of virtual currency, **[**. For purposes of this section, "virtual currency" has the same meaning as provided in section 36a-596.**]** or (3) purchase, hold or invest in a reserve of virtual currency.

(c) The state may invest in regulated securities comprised of virtual

currency or companies, entities or funds that hold investments in virtual currency, provided any such state investment (1) is made solely through a company, entity or fund that is regulated by a state or federal regulatory authority or equivalent foreign jurisdiction; (2) does not constitute the establishment of a reserve of virtual currency for transactional or treasury purposes; (3) complies with all applicable fiduciary, investment and risk management standards otherwise required by law; and (4) complies with the investment policy statement established pursuant to section 3-13b and any additional standards for custody, capitalization or compliance established by the Treasurer.

Sec. 222. Subsection (a) of section 5-142 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) If any member of the Division of State Police within the Department of Emergency Services and Public Protection or of any correctional institution, or any institution or facility of the Department of Mental Health and Addiction Services giving care and treatment to persons afflicted with a mental disorder or disease, or any institution for the care and treatment of persons afflicted with any mental defect, or any full-time enforcement officer of the Department of Energy and Environmental Protection, the Department of Motor Vehicles, the Department of Consumer Protection who carries out the duties and responsibilities of sections 30-2 to 30-68m, inclusive, Adult Probation Services, the division within the Department of Administrative Services that carries out construction services or the Board of Pardons and Paroles, any probation officer for juveniles or any employee of any juvenile detention home, any member of the police or fire security force of The University of Connecticut, any member of the police or fire security force of Bradley International Airport, any member of the Office of State Capitol Police or any person appointed under section 29-18 as a special policeman for the State Capitol building and grounds and the

Legislative Office Building and parking garage and related structures and facilities and other areas under the supervision and control of the Joint Committee on Legislative Management, the Chief State's Attorney, the Chief Public Defender, the Deputy Chief State's Attorney, the Deputy Chief Public Defender, any state's attorney, any assistant state's attorney or deputy assistant state's attorney, any public defender, assistant public defender or deputy assistant public defender, any chief inspector or inspector appointed under section 51-286 or any staff member or employee of the Division of Criminal Justice or of the Division of Public Defender Services, or any Judicial Department employee, or any health care provider employed at a state-operated health care facility or institution that providers direct patient care, sustains any injury (1) while making an arrest or in the actual performance of such police duties or guard duties or fire duties or inspection duties, or prosecution or public defender or courthouse duties, or while attending or restraining an inmate of any such institution or as a result of being assaulted in the performance of such person's duty, or while responding to an emergency or code at a correctional institution, and (2) that is a direct result of the special hazards inherent in such duties, the state shall pay all necessary medical and hospital expenses resulting from such injury. For purposes of this subsection, "health care provider" means an individual directly employed by a state agency who is involved in direct patient care. If total incapacity results from such injury, such person shall be removed from the active payroll the first day of incapacity, exclusive of the day of injury, and placed on an inactive payroll. Such person shall continue to receive the full salary that such person was receiving at the time of injury subject to all salary benefits of active employees, including annual increments, and all salary adjustments, including salary deductions, required in the case of active employees, for a period of two hundred sixty weeks from the date of the beginning of such incapacity. Thereafter, such person shall be removed from the payroll and shall receive compensation at the rate of fifty per cent of the salary that such

person was receiving at the expiration of said two hundred sixty weeks as long as such person remains so disabled, except that any such person who is a member of the Division of State Police within the Department of Emergency Services and Public Protection shall receive compensation at the rate of sixty-five per cent of such salary as long as such person remains so disabled. Such benefits shall be payable to a member of the Division of State Police after two hundred sixty weeks of disability only if the member elects in writing to receive such benefits in lieu of any benefits payable to the employee under the state employees retirement system. In the event that such disabled member of the Division of State Police elects the compensation provided under this subsection, no benefits shall be payable under chapter 568 or the state employees retirement system until the former of the employee's death or recovery from such disability. The provisions of section 31-293 shall apply to any such payments, and the state of Connecticut is authorized to bring an action or join in an action as provided by said section for reimbursement of moneys paid and which it is obligated to pay under the terms of this subsection. All other provisions of the workers' compensation law not inconsistent with this subsection, including the specific indemnities and provisions for hearing and appeal, shall be available to any such state employee or the dependents of such a deceased employee. All payments of compensation made to a state employee under this subsection shall be charged to the appropriation provided for compensation awards to state employees. On and after October 1, 1991, any full-time officer of the Department of Energy and Environmental Protection, the Department of Motor Vehicles, the Department of Consumer Protection who carries out the duties and responsibilities of sections 30-2 to 30-68m, inclusive, Adult Probation Services, the division within the Department of Administrative Services that carries out construction services or the Board of Pardons and Paroles, any probation officer for juveniles or any employee of any juvenile detention home, the Chief State's Attorney, the Chief Public Defender, the Deputy Chief State's Attorney, the Deputy Chief Public Defender, any state's attorney, assistant state's attorney or

deputy assistant state's attorney, any public defender, assistant public defender or deputy assistant public defender, any chief inspector or inspector appointed under section 51-286 or any staff member or employee of the Division of Criminal Justice or the Division of Public Defender Services, or any Judicial Department employee who sustains any injury in the course and scope of such person's employment shall be paid compensation in accordance with the provisions of section 5-143 and chapter 568, except, if such injury is sustained as a result of being assaulted in the performance of such person's duty, any such person shall be compensated pursuant to the provisions of this subsection.

Sec. 223. Section 12-217jj of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section:

(1) "Commissioner" means the Commissioner of Revenue Services.

(2) "Department" means the Department of Economic and Community Development.

(3) (A) "Qualified production" means entertainment content created in whole or in part within the state, including motion pictures, except as otherwise provided in this subparagraph; documentaries; long-form, specials, mini-series, series, sound recordings, videos and music videos and interstitials television programming; interactive television; relocated television production; interactive games; videogames; commercials; any format of digital media, including an interactive web site, created for distribution or exhibition to the general public; and any trailer, pilot, video teaser or demo created primarily to stimulate the sale, marketing, promotion or exploitation of future investment in either a product or a qualified production via any means and media in any digital media format, film or videotape, provided such program meets

all the underlying criteria of a qualified production. For state fiscal years ending on or after June 30, 2014, "qualified production" shall not include a motion picture that has not been designated as a state-certified qualified production prior to July 1, 2013, and no tax credit voucher for such motion picture may be issued for such motion picture, except, for state fiscal years ending on or after June 30, 2015, "qualified production" shall include a motion picture for which twenty-five per cent or more of the principal photography shooting days are in this state at a facility that receives not less than twenty-five million dollars in private investment and opens for business on or after July 1, 2013, and a tax credit voucher may be issued for such motion picture.

(B) "Qualified production" shall not include any ongoing television program created primarily as news, weather or financial market reports; a production featuring current events, other than a relocated television production, sporting events, an awards show or other gala event; a production whose sole purpose is fundraising; a long-form production that primarily markets a product or service; a production used for corporate training or in-house corporate advertising or other similar productions; or any production for which records are required to be maintained under 18 USC 2257, as amended from time to time, with respect to sexually explicit content.

(4) "Eligible production company" means a corporation, partnership, limited liability company, or other business entity engaged in the business of producing qualified productions on a one-time or ongoing basis, and qualified by the Secretary of the State to engage in business in the state.

(5) "Production expenses or costs" means all expenditures clearly and demonstrably incurred in the state in the preproduction, production or postproduction costs of a qualified production, including:

(A) Expenditures incurred in the state in the form of either

compensation or purchases including production work, production equipment not eligible for the infrastructure tax credit provided in section 12-217kk, production software, postproduction work, postproduction equipment, postproduction software, set design, set construction, props, lighting, wardrobe, makeup, makeup accessories, special effects, visual effects, audio effects, film processing, music, sound mixing, editing, location fees, soundstages and any and all other costs or services directly incurred in connection with a state-certified qualified production;

(B) Expenditures for distribution, including preproduction, production or postproduction costs relating to the creation of trailers, marketing videos, commercials, point-of-purchase videos and any and all content created on film or digital media, including the duplication of films, videos, CDs, DVDs and any and all digital files now in existence and those yet to be created for mass consumer consumption; the purchase, by a company in the state, of any and all equipment relating to the duplication or mass market distribution of any content created or produced in the state by any digital media format which is now in use and those formats yet to be created for mass consumer consumption; and

(C) "Production expenses or costs" does not include the following: (i) On and after January 1, 2008, compensation in excess of fifteen million dollars paid to any individual or entity representing an individual, for services provided in the production of a qualified production and on or after January 1, 2010, compensation subject to Connecticut personal income tax in excess of twenty million dollars paid in the aggregate to any individuals or entities representing individuals, for star talent provided in the production of a qualified production; (ii) media buys, promotional events or gifts or public relations associated with the promotion or marketing of any qualified production; (iii) deferred, leveraged or profit participation costs relating to any and all personnel

associated with any and all aspects of the production, including, but not limited to, producer fees, director fees, talent fees and writer fees; (iv) costs relating to the transfer of the production tax credits; (v) any amounts paid to persons or businesses as a result of their participation in profits from the exploitation of the qualified production; and (vi) any expenses or costs relating to an independent certification, as required by subsection (h) of this section, or as the department may otherwise require, pertaining to the amount of production expenses or costs set forth by an eligible production company in its application for a production tax credit.

(6) "Sound recording" means a recording of music, poetry or spoken-word performance, but does not include the audio portions of dialogue or words spoken and recorded as part of a motion picture, video, theatrical production, television news coverage or athletic event.

(7) "State-certified qualified production" means a qualified production produced by an eligible production company that (A) is in compliance with regulations adopted pursuant to subsection (l) of this section, (B) is authorized to conduct business in this state, and (C) has been approved by the department as qualifying for a production tax credit under this section.

(8) "Interactive web site" means a web site, the production expenses or costs of which (A) exceed five hundred thousand dollars per income year, and (B) is primarily (i) interactive games or end user applications, or (ii) animation, simulation, sound, graphics, story lines or video created or repurposed for distribution over the Internet. An interactive web site does not include a web site primarily used for institutional, private, industrial, retail or wholesale marketing or promotional purposes, or which contains obscene content.

(9) "Post-certification remedy" means the recapture, disallowance, recovery, reduction, repayment, forfeiture, decertification or any other

remedy that would have the effect of reducing or otherwise limiting the use of a tax credit provided by this section.

(10) "Compensation" means base salary or wages and does not include bonus pay, stock options, restricted stock units or similar arrangements.

(11) "Relocated television production" means:

(A) An ongoing television program all of the prior seasons of which were filmed outside this state, and may include current events shows, except those referenced in subparagraph (B)(i) of this subdivision.

(B) An eligible production company's television programming in this state that (i) is not a general news program, sporting event or game broadcast, and (ii) is created at a qualified production facility that has had a minimum investment of twenty-five million dollars made by such eligible production company on or after January 1, 2012, at which facility the eligible production company creates ongoing television programming as defined in subparagraph (A) of this subdivision, and creates at least two hundred new jobs in Connecticut on or after January 1, 2012. For purposes of this subdivision, "new job" means a full-time job, as defined in section 12-217ii, that did not exist in this state prior to January 1, 2012, and is filled by a new employee, and "new employee" includes a person who was employed outside this state by the eligible production company prior to January 1, 2012, but does not include a person who was employed in this state by the eligible production company or a related person, as defined in section 12-217ii, with respect to the eligible production company during the prior twelve months.

(C) A relocated television production may be a state-certified qualified production for not more than ten successive income years, after which period the eligible production company shall be ineligible to resubmit an application for certification.

(b) (1) The Department of Economic and Community Development shall administer a system of tax credit vouchers within the resources, requirements and purposes of this section for eligible production companies producing a state-certified qualified production in the state.

(2) Any eligible production company incurring production expenses or costs shall be eligible for a credit (A) for income years commencing on or after January 1, 2010, but prior to January 1, 2018, against the tax imposed under chapter 207 or this chapter, (B) for income years commencing on or after January 1, 2018, but prior to January 1, 2022, against the tax imposed under chapter 207 or 211 or this chapter, and (C) for income years commencing on or after January 1, 2022, against the tax imposed under chapter 207, 211, 219 or this chapter, as follows: (i) For any such company incurring such expenses or costs of not less than one hundred thousand dollars, but not more than five hundred thousand dollars, a credit equal to ten per cent of such expenses or costs, (ii) for any such company incurring such expenses or costs of more than five hundred thousand dollars, but not more than one million dollars, a credit equal to fifteen per cent of such expenses or costs, and (iii) for any such company incurring such expenses or costs of more than one million dollars, a credit equal to thirty per cent of such expenses or costs.

(c) No eligible production company incurring an amount of production expenses or costs that qualifies for such credit shall be eligible for such credit unless on or after January 1, 2010, such company conducts (1) not less than fifty per cent of principal photography days within the state, or (2) expends not less than fifty per cent of postproduction costs within the state, or (3) expends not less than one million dollars of postproduction costs within the state. The provisions of this subsection shall not apply to an eligible production company that produces an interactive Internet web site created for distribution or exhibition to the general public.

(d) For income years commencing on or after January 1, 2010, no

expenses or costs incurred outside the state and used within the state shall be eligible for a credit, and one hundred per cent of such expenses or costs shall be counted toward such credit when incurred within the state and used within the state.

(e) (1) On and after July 1, 2006, and for income years commencing on or after January 1, 2006, any credit allowed pursuant to this section may be sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers, provided (A) no credit, after issuance, may be sold, assigned or otherwise transferred, in whole or in part, more than three times, (B) in the case of a credit allowed for the income year commencing on or after January 1, 2011, but prior to January 1, 2012, any entity that is not subject to tax under chapter 207 or this chapter may transfer not more than fifty per cent of such credit in any one income year, and (C) in the case of a credit allowed for an income year commencing on or after January 1, 2012, any entity that is not subject to tax under chapter 207 or this chapter may transfer not more than twenty-five per cent of such credit in any one income year.

(2) Notwithstanding the provisions of subdivision (1) of this subsection, any entity that is not subject to tax under this chapter or chapter 207 shall not be subject to the limitations on the transfer of credits provided in subparagraphs (B) and (C) of said subdivision (1), provided such entity owns not less than fifty per cent, directly or indirectly, of a business entity, as defined in section 12-284b.

(3) Notwithstanding the provisions of subdivision (1) of this subsection, any qualified production that is created in whole or in significant part, as determined by the Commissioner of Economic and Community Development, at a qualified production facility shall not be subject to the limitations of subparagraph (B) or (C) of said subdivision (1). For purposes of this subdivision, "qualified production facility" means a facility (A) located in this state, (B) intended for film, television or digital media production, and (C) that has had a minimum

investment of three million dollars, or less if the Commissioner of Economic and Community Development determines such facility otherwise qualifies.

(4) (A) For the income year commencing on or after January 1, 2018, but prior to January 1, 2019, any credit that is sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers pursuant to subdivision (1) of this subsection may be claimed against the tax imposed under chapter 211 only if there is common ownership of at least fifty per cent between such taxpayer and the eligible production company that sold, assigned or otherwise transferred such credit. Such taxpayer may only claim ninety-two per cent of the amount of such credit entered by the department on the production tax credit voucher.

(B) For income years commencing on or after January 1, 2019, any credit that is sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers pursuant to subdivision (1) of this subsection, which credit is claimed against the tax imposed under chapter 211, shall be subject to the following limits:

(i) The taxpayer may only claim ninety-five per cent of the amount of such credit entered by the department on the production tax credit voucher; and

(ii) If there is common ownership of at least fifty per cent between such taxpayer and the eligible production company that sold, assigned or otherwise transferred such credit, such taxpayer may only claim ninety-two per cent of the amount of such credit entered by the department on the production tax credit voucher.

(5) (A) For income years commencing on or after January 1, 2022, but prior to January 1, 2024, and on or after January 1, **[**2026**]** 2028, any credit that is claimed against the tax imposed under chapter 219 shall be subject to the following limits:

(i) Any credit that is sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers pursuant to subdivision (1) of this subsection may be claimed against the tax imposed under chapter 219 only if there is common ownership of at least fifty per cent between such taxpayer and the eligible production company that sold, assigned or otherwise transferred such credit; and

(ii) The eligible production company or taxpayer claiming the credit against the tax imposed under chapter 219 may only claim seventy-eight per cent of the amount of such credit entered by the department on the production tax credit voucher.

(B) For income years commencing on or after January 1, 2024, but prior to January 1, **[**2026**]** 2028, any credit that is claimed against the tax imposed under chapter 219 shall be subject to the following limits:

(i) Any credit that is sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers pursuant to subdivision (1) of this subsection may be claimed against the tax imposed under chapter 219 only if there is common ownership of at least fifty per cent between such taxpayer and the eligible production company that sold, assigned or otherwise transferred such credit; and

(ii) The eligible production company or taxpayer claiming the credit against the tax imposed under chapter 219 may only claim ninety-two per cent of the amount of such credit entered by the department on the production tax credit voucher.

(f) (1) On and after July 1, 2006, and for income years commencing on or after January 1, 2006, but prior to January 1, 2015, all or part of any such credit allowed under this section may be claimed against the tax imposed under chapter 207 or this chapter for the income year in which the production expenses or costs were incurred, or in the three immediately succeeding income years.

(2) For production tax credit vouchers issued on or after July 1, 2015, but prior to January 1, 2018, all or part of any such credit may be claimed against the tax imposed under chapter 207 or this chapter, for the income year in which the production expenses or costs were incurred, or in the five immediately succeeding income years.

(3) For production tax credit vouchers issued on or after July 1, 2018, but prior to January 1, 2022, all or part of any such credit may be claimed against the tax imposed under chapter 207 or 211 or this chapter, for the income year in which the production expenses or costs were incurred, or in the five immediately succeeding income years.

(4) For production tax credit vouchers issued on or after January 1, 2022, all or part of any such credit may be claimed against the tax imposed under chapter 207, 211, 219 or this chapter, for the income year in which the production expenses or costs were incurred, or in the five immediately succeeding income years.

(g) Any production tax credit allowed under this section shall be nonrefundable.

(h) (1) An eligible production company shall apply to the department for a tax credit voucher on an annual basis, but not later than ninety days after the first production expenses or costs are incurred in the production of a qualified production, and shall provide with such application such information as the department may require to determine such company's eligibility to claim a credit under this section. No production expenses or costs may be listed more than once for purposes of the tax credit voucher pursuant to this section or section 12-217kk, and if a production expense or cost has been included in a claim for a credit, such production expense or cost may not be included in any subsequent claim for a credit.

(2) Not later than ninety days after the end of the annual period, or

after the completion of the independent certification, an eligible production company shall apply to the department for a production tax credit voucher, and shall provide with such application (A) a report that includes the number of full-time jobs and the number of part-time jobs created by the eligible production company during the annual period, a description of each such job and an explanation of what the eligible production company considers to be job creation for purposes of the report, and (B) such information and independent certification as the department may require pertaining to the amount of such company's production expenses or costs. Such independent certification shall be provided by an audit professional chosen from a list compiled by the department. If the department determines that such company is eligible to be issued a production tax credit voucher, the department shall enter on the voucher the amount of production expenses or costs that has been established to the satisfaction of the department and the amount of such company's credit under this section. The department shall provide a copy of such voucher to the commissioner, upon request.

(3) The department shall charge a reasonable and nonrefundable administrative fee sufficient to cover the department's costs to analyze applications submitted under this section.

(i) If an eligible production company sells, assigns or otherwise transfers a credit under this section to another taxpayer, the transferor and transferee shall jointly submit written notification of such transfer to the department not later than thirty days after such transfer. If such transferee sells, assigns or otherwise transfers a credit under this section to a subsequent transferee, such transferee and such subsequent transferee shall jointly submit written notification of such transfer to the department not later than thirty days after such transfer. The notification after each transfer shall include the credit voucher number, the date of transfer, the amount of such credit transferred, the tax credit balance before and after the transfer, the tax identification numbers for

both the transferor and the transferee, and any other information required by the department. Failure to comply with this subsection will result in a disallowance of the tax credit until there is full compliance on the part of the transferor and the transferee, and for a second or third transfer, on the part of all subsequent transferors and transferees. The department shall provide a copy of the notification of assignment to the commissioner upon request.

(j) Any eligible production company that submits information to the department that it knows to be fraudulent or false shall, in addition to any other penalties provided by law, be liable for a penalty equal to the amount of such company's credit entered on the production tax credit voucher issued under this section.

(k) No tax credits transferred pursuant to this section shall be subject to a post-certification remedy, and the department and the commissioner shall have no right, except in the case of possible material misrepresentation or fraud, to conduct any further or additional review, examination or audit of the expenditures or costs for which such tax credits were issued. The sole and exclusive remedy of the department and the commissioner shall be to seek collection of the amount of such tax credits from the entity that committed the fraud or misrepresentation.

(l) The department, in consultation with the commissioner, may adopt regulations, in accordance with the provisions of chapter 54, as may be necessary for the administration of this section.

Sec. 224. (NEW) (*Effective from passage and applicable to assessment years commencing on or after October 1, 2027*) (a) Except as provided in subsection (c) of this section, any municipality may, upon approval of its legislative body or, in a municipality where the legislative body is a town meeting, by vote of the board of selectmen, provide an exemption from property tax applicable to the assessed value of any dwelling

declared to be the primary residence of (1) the owner or owners of such dwelling, or (2) any person or persons for whom such dwelling is held in trust, in accordance with the provisions of subsection (b) of this section, in the amount of fifty thousand dollars of the assessed value of such dwelling. Such municipality may require a term of residency to be eligible for an exemption under this section.

(b) Any owner or owners of a dwelling, or person or persons for whom such dwelling is held in trust, claiming the exemption provided pursuant to this section for any assessment year shall, on or before the first day of November in such assessment year, file with the assessor or board of assessors in the municipality in which such dwelling is located an application claiming such exemption. Such application shall be made in the manner prescribed and on a form prepared for such purpose by the Secretary of the Office of Policy and Management, and shall include, but not be limited to, a declaration that (1) such dwelling is the primary residence of the applicant or applicants, (2) the applicant or applicants have no other primary residence, and (3) the applicant or applicants have not claimed the exemption provided in this section for more than one such dwelling in the same assessment year, and any documentation the secretary deems necessary to verify such declaration. The secretary shall make such application available to the public on the Internet web site of the Office of Policy and Management. Failure to file such application in the manner and form provided by the secretary within the time limit prescribed shall constitute a waiver of the right to such exemption for such assessment year.

(c) No municipality shall provide an exemption from property tax pursuant to this section and an exemption from property tax pursuant to section 12-81oo of the general statutes for the same assessment year.

(d) As used in this section, "dwelling" means a single-family dwelling, condominium, as defined in section 47-68a of the general statutes, or unit in a common interest community, as defined in section

47-202 of the general statutes.

Sec. 225. Section 12-81oo of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage and applicable to assessment years commencing on or after October 1, 2027*):

(a) **[**Any**]** Except as provided in subsection (b) of this section, any municipality may, upon approval by its legislative body or, in a municipality where the legislative body is a town meeting, by vote of the board of selectmen, provide an exemption from property tax of not less than five per cent and not more than thirty-five per cent of the assessed value, for owner-occupied dwellings, including condominiums, as defined in section 47-68a, and units in a common interest community, as defined in section 47-202, that are the primary residences of such owners and consist of not more than two units. Such municipality may also require a term of residency for owners to be eligible for an exemption under this section or an assessed value maximum for dwellings to be eligible for an exemption under this section, or both.

(b) No municipality shall provide an exemption from property tax pursuant to this section and an exemption from property tax pursuant to section 224 of this act for the same assessment year.

Sec. 226. (NEW) (*Effective October 1, 2026*) As used in this section and sections 227 to 237, inclusive, of this act, unless the context otherwise requires:

(1) "Affiliate" means a person, entity or organization controlling, controlled by or under common control with another person, entity or organization. "Affiliate" does not include a medical foundation organized under chapter 594b of the general statutes. As used in this subdivision, "controlled by" means the other person, entity or

organization, or one of such other person's, entity's or organization's affiliates, officers or management employees, acting in such capacity, acts as a general partner of a general or limited partnership or manager of a limited liability company.

(2) "Applicant" means any person or health care facility that applies for a certificate of need pursuant to section 231 or 232 of this act.

(3) "Bed capacity" means the total number of inpatient beds in a facility licensed by the Department of Public Health under sections 19a-490 to 19a-503, inclusive, of the general statutes.

(4) "Certificate of need" means a certificate issued pursuant to section 231 or 232 of this act.

(5) "Change of ownership or control" means any change in the ownership or beneficial ownership or the change of control of an entity, including (A) a corporate merger, (B) an acquisition of one or more entities by direct or indirect purchase in any manner of not less than twenty-five per cent of the assets, equity or voting shares of a health care facility, (C) a transfer of control of a board of directors or governing body, or (D) a real estate sale or lease agreement involving not less than twenty per cent of the total assets of a hospital.

(6) "Commissioner" means the Commissioner of Public Health, or the commissioner's designee.

(7) "Day" means a calendar day.

(8) "Department" means the Department of Public Health.

(9) "Free clinic" means a private, nonprofit community-based organization that provides medical, dental, pharmaceutical or mental health services at reduced cost or no cost to low-income, uninsured and underinsured individuals.

(10) "Health care facility" means (A) a hospital, including any satellite location licensed by the Department of Public Health under chapter 368v of the general statutes; (B) specialty hospital; (C) freestanding emergency department; (D) outpatient surgical facility (i) as defined in section 19a-493b of the general statutes and licensed under chapter 368v of the general statutes, or (ii) as established by a short-term acute care general hospital licensed by the department under said chapter; (E) a hospital or other facility or institution operated by the state that provides services that are eligible for reimbursement under Title XVIII or XIX of the federal Social Security Act, 42 USC 301, as amended from time to time; (F) a central service facility; (G) a mental health facility; (H) a substance abuse treatment facility; (I) any other facility requiring certificate of need review pursuant to section 229 of this act; and (J) any parent company, subsidiary, affiliate or joint venture, or any combination thereof, of any facility described in subparagraphs (A) to (J), inclusive, of this subdivision.

(11) "Large group practice" means eight or more full-time equivalent physicians, legally organized in a partnership, professional corporation, limited liability company formed to render professional services, medical foundation, not-for-profit corporation, faculty practice plan or other similar entity (A) in which each physician who is a member of the group provides substantially the full range of services that the physician routinely provides, including, but not limited to, medical care, consultation, diagnosis or treatment, through the joint use of shared office space, facilities, equipment or personnel; (B) for which substantially all of the services of the physicians who are members of the group are provided through the group and are billed in the name of the group practice and amounts so received are treated as receipts of the group; or (C) in which the overhead expenses of, and the income from, the group are distributed in accordance with methods previously determined by members of the group. An entity that otherwise meets the definition of group practice under this section shall be considered a

group practice although its shareholders, partners or owners of the group practice include single-physician professional corporations, limited liability companies formed to render professional services or other entities in which beneficial owners are individual physicians.

(12) "Panel" means the three-person panel established under section 227 of this act to decide all certificate of need applications.

(13) "Person" means any individual, partnership, corporation, limited liability company, association, governmental subdivision, agency or public or private organization of any character. "Person" does not include the agency conducting the certificate of need application proceeding under section 231 or 232 of this act.

(14) "Physician" means an individual licensed to practice medicine pursuant to chapter 370 of the general statutes.

(15) "Program" means the certificate of need program established pursuant to section 228 of this act.

Sec. 227. (NEW) (*Effective October 1, 2026*) (a) There is established within the department, for administrative purposes only, a panel that shall make all final decisions and rulings regarding certificate of need applications submitted on and after July 1, 2027, pursuant to section 231 or 232 of this act, civil penalties and cease and desist orders imposed on and after July 1, 2027, pursuant to section 235 of this act, approvals of policies and procedures effective on and after July 1, 2027, pursuant to section 236 of this act, hospital plans for continued access to care during service termination on and after July 1, 2027, pursuant to section 237 of this act, and sales of nonprofit hospitals pursuant to section 19a-486a of the general statutes. The panel shall consist of three members, who shall include (1) the Commissioner of Public Health, or the commissioner's designee, who shall act as chairperson of the panel, (2) the Secretary of the Office of Policy and Management, or the secretary's designee, and

(3) the Commissioner of Social Services, or the Commissioner of Social Services' designee.

(b) On and after July 1, 2027, the panel shall hold monthly meetings to review and decide any certificate of need application that has been submitted to the panel at least five days before the meeting date. In addition to the monthly meetings, the chairperson may at any time call a special meeting of the panel to review and decide any application prepared for presentation to the panel or any other matter appropriate for panel review under this section or sections 228 to 237, inclusive, of this act. The panel may cancel a monthly meeting if no application or other business has been appropriately submitted with at least five days' notice to the panel for review at such meeting.

Sec. 228. (NEW) (*Effective October 1, 2026*) (a) There is established within the department a Certificate of Need Program that shall support the review of certificate of need applications. The commissioner shall designate a director who shall oversee the program.

(b) On and after July 1, 2027, (1) each person applying for a certificate of need shall file an application with the Certificate of Need Program, and (2) the program shall prepare a report regarding the certificate of need application.

(c) On and after July 1, 2027, the Certificate of Need Program shall make all determinations as to whether a certificate of need is required pursuant to section 229 of this act.

(d) The Certificate of Need Program shall monitor compliance with the provisions of sections 227 to 237, inclusive, of this act and with any order or decision, including any conditions placed thereon, that is issued by the panel. In any enforcement action made under section 235 of this act, the Certificate of Need Program shall present the allegations set forth in the enforcement action at the public hearing before the panel.

Sec. 229. (NEW) (*Effective October 1, 2026*) (a) On and after July 1, 2027, a certificate of need issued by the panel shall be required for:

(1) The establishment of a new health care facility;

(2) A change of ownership or control of a health care facility;

(3) A change of ownership or control of a large group practice to any entity other than a (A) physician, or (B) group of two or more physicians legally organized in a partnership, professional corporation or limited liability company formed to render professional services and not employed by or an affiliate of any hospital, medical foundation, insurance company or other similar entity;

(4) The acquisition of computed tomography scanners, magnetic resonance imaging scanners, positron emission tomography scanners or positron emission tomography-computed tomography scanners, by any person, physician, provider, short-term acute care general hospital or children's hospital, except (A) as provided for in subdivision (18) of subsection (b) of this section, and (B) a certificate of need issued by the panel shall not be required where such scanner is a replacement for a scanner that was previously acquired through certificate of need approval or a certificate of need determination, including a replacement scanner that has dual modalities or functionalities if the applicant already offers similar imaging services for each of the scanner's modalities or functionalities that will be utilized;

(5) An increase in the licensed bed capacity of a health care facility;

(6) The acquisition of equipment utilizing technology that has not previously been utilized in the state;

(7) An increase of two or more operating rooms within any three-year period by an outpatient surgical facility, as defined in section 19a-493b of the general statutes, or by a short-term acute care general hospital;

(8) The establishment of cardiac services, including inpatient and outpatient cardiac catheterization, interventional cardiology and cardiovascular surgery; and

(9) The acquisition of nonhospital-based linear accelerators, except a certificate of need issued by the panel shall not be required where such accelerator is a replacement for an accelerator that was previously acquired through certificate of need approval or a certificate of need determination.

(b) On and after July 1, 2027, a certificate of need issued by the panel shall not be required for:

(1) A health care facility owned and operated by the federal government;

(2) The establishment of offices by a licensed private practitioner, whether for individual or group practice, except when a certificate of need is required in accordance with the requirements of section 19a-493b of the general statutes or subdivision (3), (4) or (6) of subsection (a) of this section;

(3) A health care facility operated by a religious group that exclusively relies upon spiritual means through prayer for healing;

(4) Residential care homes, nursing homes and rest homes, as defined in section 19a-490 of the general statutes;

(5) An assisted living services agency, as defined in section 19a-490 of the general statutes;

(6) A home health agency, as defined in section 19a-490 of the general statutes;

(7) Hospice services, as described in section 19a-122b of the general statutes;

(8) An outpatient rehabilitation facility;

(9) Outpatient chronic dialysis services;

(10) Transplant services;

(11) A free clinic;

(12) A school-based health center and an expanded school health site, as such terms are defined in section 19a-6r of the general statutes, a community health center, as defined in section 19a-490a of the general statutes, a not-for-profit outpatient clinic licensed in accordance with the provisions of chapter 368v of the general statutes and a federally qualified health center;

(13) A program licensed or funded exclusively by the Department of Children and Families, provided such program is not a psychiatric residential treatment facility;

(14) Any facility, institution or provider that is (A) operated as a nonprofit or by the state, and (B) solely providing behavioral health or substance use disorder treatment services;

(15) A health care facility operated by a nonprofit educational institution exclusively for students, faculty and staff of such institution and their dependents;

(16) An outpatient clinic or program operated exclusively by or contracted to be operated exclusively by a municipality, municipal agency, municipal board of education or a health district, as described in section 19a-241 of the general statutes;

(17) A residential facility for persons with intellectual disability licensed pursuant to section 17a-227 of the general statutes and certified to participate in the Title XIX Medicaid program as an intermediate care facility for individuals with intellectual disabilities;

(18) Replacement of existing computed tomography scanners, magnetic resonance imaging scanners, positron emission tomography scanners or positron emission tomography-computed tomography scanners, if such equipment was acquired through certificate of need approval or a certificate of need determination, provided a health care facility, provider, physician or person notifies the Department of Public Health of the date on which the equipment is replaced and the disposition of the replaced equipment, including if a replacement scanner has dual modalities or functionalities and the applicant already offers similar imaging services for each of the equipment's modalities or functionalities that will be utilized;

(19) Acquisition of cone-beam dental imaging equipment that is to be used exclusively by a dentist licensed pursuant to chapter 379 of the general statutes;

(20) The partial or total elimination of services provided by an outpatient surgical facility, as defined in section 19a-493b of the general statutes;

(21) The termination of services for which the Department of Public Health has requested the facility to relinquish its license;

(22) Acquisition of any equipment by any person that is to be used exclusively for scientific research, provided the equipment shall not be used in the diagnosis, treatment or prevention of any medical condition for humans;

(23) The establishment of a harm reduction center through the pilot program established pursuant to section 17a-673c of the general statutes;

(24) On or before June 30, 2028, a birth center, as defined in section 19a-490 of the general statutes, that is enrolled as a provider in the Connecticut medical assistance program, as defined in section 17b-

245g of the general statutes;

(25) An association between a group practice and a management services organization under which such management services organization does not directly share in the profits or net revenue of the group practice but rather is paid a fair market value through a contract for services rendered; and

(26) The relocation of a health care facility within the same town or within ten miles of the existing facility location, provided such relocation will not result in a substantial change to the payer mix or patient population served by the facility.

(c) On and after July 1, 2027, any person, health care facility or institution that is unsure whether a certificate of need is required for a particular proposal under this section shall send a letter to the Certificate of Need Program that describes the proposal and requests that the program make a determination as to whether a certificate of need is required for such proposal. A person, health care facility or institution making such request shall provide the program with any information the program requests as part of its determination process. The program shall provide a determination not later than thirty days after receipt of such request.

(d) On and after July 1, 2027, any acquiring person or entity in a change of ownership or control of a large group practice to any person or entity that does not require a certificate of need pursuant to subdivision (3) of subsection (a) of this section shall submit notices to the program, in a form and manner prescribed by the commissioner, of such transfer consistent with this subsection.

(1) Not less than thirty days prior to the closing of a transaction, the acquiring person or entity shall submit a notice for each such group practice, in a form and manner prescribed by the commissioner, setting

forth: (A) The names and medical specialties of each physician practicing medicine with the group practice; (B) the names of the business entities that provide clinical or managerial services as part of the group practice; (C) the address for each location where clinical services are provided by the group practice; (D) a description of the clinical services provided at each location of the group practice; (E) the zip codes of the primary service area served by each location of the group practice; and (F) the resulting name, ownership, and business type of the group practice after the proposed change of ownership, control or affiliation, including the name and business type of any person or entity that will control, directly or indirectly, at least ten per cent of the large group practice. The program shall, unless otherwise prohibited by federal or state law, post such information on its Internet web site.

(2) Not later than thirty days after the close of the transaction or after the abandonment of such transaction, the acquiring person or entity shall submit a report indicating the date on which the transaction closed or was abandoned.

(3) When the provision of thirty days' notice pursuant to subdivision (1) of this subsection is not practicable due to circumstances outside of the acquiring person or entity's control, such as death, incapacity or other exigent circumstances, the acquiring person or entity shall provide notice to the program as soon as practicable but in no case later than fourteen days after the close of the transaction.

(e) Not later than January 1, 2028, the commissioner shall report to the Governor and, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to public health concerning the commissioner's recommendations, if any, regarding an exemption from certificate of need requirements related to temporary increases in licensed bed capacity of a hospital due to a surge in

admissions that cannot be accommodated by the hospital's existing licensed bed capacity.

Sec. 230. (NEW) (*Effective October 1, 2026*) (a) In any deliberation involving a certificate of need application filed pursuant to section 231 of this act, the panel shall determine whether the applicant has demonstrated, by a preponderance of the evidence, that the proposal is in the public's interest. In making such determination, the panel shall consider, consistent with any relevant regulations, policies or procedures of the department, the following factors:

(1) Whether the proposal promotes delivery of high-quality care in the primary service area of the applicant;

(2) Whether the proposal promotes access to health care services, including Medicaid access, in the primary service area of the applicant;

(3) Whether the proposal promotes delivery of cost-effective care in the primary service area of the applicant;

(4) Whether the proposal promotes financial stability of the health care system, including, but not limited to, whether the proposal is financially feasible for the applicant and whether there is any evidence of prior financial mismanagement or misconduct by the applicant;

(5) Whether there is a clear public need for the proposal and the services to be provided under the proposal; and

(6) Whether the proposal would result in an unnecessary duplication of services.

(b) In analyzing whether a certificate of need application satisfies the certificate of need criteria set forth in subsection (a) of this section, the panel and the Certificate of Need Program may engage, when, in the sole discretion of the director, an expert with specialized knowledge is

required, any third-party consultant that the panel or program deems necessary to analyze the application materials and proposal set forth in the application pursuant to such criteria. All costs associated with such third-party consultant shall be borne by the applicant, provided the total costs for all consultants to the panel and the program under this subsection for a single application shall not exceed one hundred thousand dollars. Each third-party consultant engaged under this subsection shall submit each invoice for consulting services directly to the applicant for payment not later than thirty days after the issuance of the invoice. The provisions of chapter 57 of the general statutes and sections 4-212 to 4-219, inclusive, and 4e-19 of the general statutes shall not apply to any retainer agreement executed pursuant to this subsection.

(1) No consultant shall be retained in connection with the processing of an application under the expedited review process described in section 232 of this act unless such expedited application is referred for a full review pursuant to subsection (g) of section 232 of this act.

(2) If the program determines that a consultant is necessary under this subsection, the program shall provide notice to the applicant prior to expending any money and provide the applicant the opportunity to withdraw the application prior to incurring any consulting fees.

(3) Not later than July 1, 2028, and annually thereafter, the commissioner shall report to the Governor and, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to public health regarding all consultants engaged under this subsection, including (A) the number of engagements, (B) the categories of certificate of need proposals for which the engagements were made, (C) the amount spent on each engagement, (D) the nature of the expertise sought in each engagement, and (E) any reports produced under each engagement.

Sec. 231. (NEW) (*Effective October 1, 2026*) (a) On and after July 1, 2027, an applicant seeking a certificate of need shall submit an application to the Certificate of Need Program, in a form and manner prescribed by the commissioner, and include all information required pursuant to the regulations, policies and procedures promulgated pursuant to section 236 of this act. Each application shall be submitted based on monthly deadlines, including submission dates of the fifteenth day of each month.

(b) The applicant shall include with the application a nonrefundable application fee based on the total cost associated with the project. The amount of the fee shall be as follows: (1) One thousand dollars for a project that will cost not greater than fifty thousand dollars; (2) two thousand dollars for a project that will cost greater than fifty thousand dollars but not greater than one hundred thousand dollars; (3) three thousand dollars for a project that will cost greater than one hundred thousand dollars but not greater than five hundred thousand dollars; (4) four thousand dollars for a project that will cost greater than five hundred thousand dollars but not greater than one million dollars; (5) five thousand dollars for a project that will cost greater than one million dollars but not greater than five million dollars; (6) eight thousand dollars for a project that will cost greater than five million dollars but not greater than ten million dollars; and (7) ten thousand dollars for a project that will cost greater than ten million dollars.

(c) Not later than twenty-one days prior to the deadline to submit a certificate of need application described in subsection (a) of this section, an applicant for a certificate of need shall submit a notice to the program for posting on the program's Internet web site. If the applicant has not submitted the application on or before ninety days after submission of such notice, a new notice shall be required under this subsection prior to submitting the application. Such notice shall include, but need not be limited to:

(1) The identity of the applicant and any known parties to the application;

(2) The street address and town where the proposal that is the subject of the application is located; and

(3) A brief description in plain language of the proposal, including a reference to the subdivision of subsection (a) of section 229 of this act under which the application is being submitted.

(d) Any person wishing to request party or intervenor status in connection with a certificate of need application shall file a notice of such person's intent, including a statement of whether such person seeks a hearing on the application, with the program not later than twenty days after the posting on the program's Internet web site of the applicant's notice of the intent to file the application. Any person who files such a notice of intent under this subsection, or who demonstrates good cause for failing to file such a notice, may file a petition for party or intervenor status not later than twenty-one days after the applicant's filing of the certificate of need application.

(1) If a petition for party or intervenor status is filed, the panel shall appoint a hearing officer to resolve the request.

(2) The applicant may object to any request for party or intervenor status not later than five days after the request is filed.

(3) The hearing officer shall render a decision on the petition not later than fifteen days after the request is filed.

(4) If a request to intervene is granted, the decision granting intervention shall set out the scope of intervention rights granted, including whether or not an intervenor's request for a hearing is granted or whether intervention is limited to submission of written materials.

(e) Not later than fifteen days after the deadline to submit an application described in subsection (a) of this section, the program shall notify each certificate of need applicant whether the applicant's application is deemed complete. To be deemed complete, the applicant shall have submitted relevant responses to all application questions and data requests in the application. For any application that is deemed incomplete, the program shall, not later than five days after deeming such application incomplete, notify the applicant, in writing, of each application and data element that was not adequately addressed by the applicant. The program shall not review any incomplete application until the applicant submits a revised and completed application that adequately addresses such application and data elements to the program in a subsequent application period. The subsequent filing of the revised application shall not require any additional filing fee unless the total cost of the proposal is amended such that a different fee would be required under subsection (b) of this section, in which case the applicant shall submit the net difference.

(f) The program shall submit a report to the record summarizing the certificate of need application and providing an analysis of each criterion listed in section 230 of this act. The program shall provide such report no later than ten days prior to any public hearing and in no case later than ninety days after the application was deemed complete.

(1) The program may request additional information from the applicant during the course of analyzing the certificate of need application. Any such request shall not delay timelines for review of the application except by mutual agreement of the applicant and the program. All additional information shall, unless otherwise prohibited by federal or state law, be made part of the public certificate of need record.

(2) The program may supplement the record with relevant data, analyses, reports or other similar evidence not later than seventy-five

days after the application is deemed complete, provided the applicant shall have ten days to respond, in writing, to such evidence. Any response from the applicant shall be included in the record.

(g) The panel, or a hearing officer designated by the panel, shall hold a public hearing on each properly filed and complete certificate of need application filed under this section unless the applicant waives the applicant's right to a public hearing.

(1) An applicant may waive the applicant's right to a public hearing, in writing, not later than thirty days after the application is deemed complete, if the applicant is the only party to the proceeding and no person is granted intervenor status pursuant to section 4-177a of the general statutes and subsection (d) of this section. Such waiver shall constitute a waiver of the applicant's right to appeal under section 4-183 of the general statutes.

(2) The panel shall convene a public hearing on an application not later than ninety days after the program deems the application as properly filed and complete.

(3) The hearing record shall close not later than ten days after the adjournment of the hearing unless the applicant and program mutually agree to maintain the record open for some period. Any transcript of the hearing shall be made part of the record without needing to reopen the record. If no hearing is held, the record shall close ten days after the submission of the report.

(4) The panel may appoint a hearing officer to administer any hearing under this section and to draft the proposed final decision consistent with this section and chapter 54 of the general statutes. A hearing officer appointed by the panel may draft a proposed final decision even for dockets in which the applicant waived the right to a hearing and no hearing was held.

(h) Not later than sixty days after the record of the public hearing is closed, or one hundred fifty days after the application was deemed complete if the applicant affirmatively waives a public hearing, the hearing officer, if one is appointed, shall transmit the report required pursuant to this section, the record of such hearing, if any, and the hearing officer's proposed final decision to the panel for consideration at the panel's next monthly meeting. If no hearing officer is appointed for a docket that did not have a hearing, the director of the program shall prepare and submit the proposed final decision. If the proposed final decision recommends conditions pursuant to this section, the program or hearing officer shall meet with the applicant, unless otherwise prohibited by law, at least five days before transmitting such proposed final decision, to preview the conditions to be proposed.

(i) An applicant may file written briefs or exceptions and request oral argument regarding the proposed final decision not later than fourteen days after the publication of such proposed final decision.

(j) At the panel meeting to review one or more certificate of need applications filed under this section, the panel shall vote on the disposition of each application that has been submitted to the panel at least five days prior to such meeting. The panel shall decide any presented application by majority vote. The panel may approve the application, with or without conditions, deny the application or remand the application to the hearing officer for further development of the record for presentation at the next panel meeting, or order the program and applicant to engage in agreed settlement negotiations.

(1) Any proposed final decision that is approved by the vote of the panel shall be automatically converted to a final decision upon the approval vote of the panel.

(2) Any proposed final decision that is voted to be modified by the panel shall be modified consistent with the direction of the panel and

posted as a final decision of the panel not later than thirty days after the panel's vote to modify, provided, at least five days before posting the modified final decision, the program or hearing officer shall meet with the applicant, unless otherwise prohibited by law, to preview the conditions to be finalized.

(3) Any docket remanded for further development of the record and presentation at the next meeting shall not be so remanded more than twice by the panel unless by mutual agreement of the panel and the applicant.

(4) Any docket referred for settlement negotiations shall have the resulting negotiated proposed settlement presented at the next panel meeting. The panel shall vote on the proposed settlement and may approve the proposed settlement or reject such settlement and move to one of the other available dispositions of the docket.

(5) Nothing in this section shall preclude the program and the applicant from engaging in negotiations to reach an agreed settlement at an earlier point in the process, provided such negotiations occur not earlier than thirty days after the application has been deemed complete. Any negotiated agreement shall be presented for review and a vote on the disposition thereof at the next meeting of the panel that is at least five days after the date of the settlement.

(k) The Certificate of Need Program may recommend, and the panel may impose, any condition on an approval of a certificate of need application filed under this section, provided (1) any such condition is consistent with the purposes of sections 227 to 237, inclusive, of this act, and (2) the program or hearing officer shall meet with the applicant, unless otherwise prohibited by law, at least five days before issuing a proposed final decision or a final decision that imposes any such condition, to preview each such condition to be met by the applicant. The applicant and any party to the application may request an

amendment to or relief from any condition, in a form and manner prescribed by the commissioner, due to changed circumstances, hardship or for other good cause. The panel may grant or deny any such request. The determination to deny such request shall not be subject to appeal under section 4-183 of the general statutes.

(l) Any final decision issued pursuant to this section for a docket in which a public hearing was held, either under subsection (e) of this section or as a result of the docket being remanded by the panel for further development of the record pursuant to subsection (j) of this section, shall be subject to appeal under section 4-183 of the general statutes.

(m) Any deadlines in this section may be extended by mutual agreement of the program and the applicant.

Sec. 232. (NEW) (*Effective October 1, 2026*) (a) Not later than January 1, 2028, the panel shall create an expedited review pathway for certain categories of applications for certificates of need required under subsection (a) of section 229 of this act, or subcategories thereof. On and after January 1, 2028, an applicant may request an expedited review of the following categories of applications:

(1) The relocation of a health care facility greater than ten miles away from its current location and outside the current town in which it is located;

(2) The increase in the number of inpatient or outpatient hospital beds;

(3) The acquisition of computed tomography scanners, magnetic resonance imaging scanners, positron emission tomography scanners or positron emission tomography-computed tomography scanners, by any person, physician, provider, short-term acute care general hospital or children's hospital, where certificate of need approval is required for

such acquisition;

(4) An increase of two or three operating rooms, within any three-year period, by an outpatient surgical facility, as defined in section 19a-493b of the general statutes, or by a short-term acute care general hospital; and

(5) Any other category designated by the commissioner in regulations adopted in accordance with the provisions of chapter 54 of the general statutes.

(b) On and after January 1, 2028, an applicant requesting expedited review of a certificate of need application shall submit such application, in a form and manner prescribed by the commissioner, pursuant to the deadlines described in subsection (a) of section 231 of this act and provide the same application fee described in subsection (b) of said section and notice of intent to the program as described in subsection (c) of said section.

(c) An application processed through the expedited pathway shall not be entitled to a hearing before a hearing officer, except (1) the program may hold a hearing before a hearing officer appointed by the panel not later than thirty days after deeming the application complete without affecting any other timelines under this subsection, or (2) the panel may remove the application from the expedited pathway and have it processed through the standard pathway described in section 231 of this act.

(d) Not later than fifteen days after submitting an application for a certificate of need for expedited review under this section, the program shall notify the applicant requesting expedited review whether such applicant's application is deemed complete and whether the application meets the requirements for expedited review.

(1) For any application that is deemed incomplete, the Certificate of

Need Program shall, not later than five days after deeming such application incomplete, notify the applicant, in writing, of any application or data elements that were not adequately addressed by the applicant. The program shall not review such an application until the applicant submits an application that adequately addresses such application or data elements to the program in a subsequent application period.

(2) For any application that is deemed complete but ineligible for expedited review under this section, the Certificate of Need Program shall review the application under the standard process set forth in section 231 of this act.

(e) Any person who wishes to seek intervenor or party status shall file a request to do so not later than fourteen days after the filing of a certificate of need application filed under the expedited pathway.

(1) The panel shall appoint a hearing officer to review any request to intervene or for party status.

(2) The applicant may respond to such request not later than five days after filing.

(3) The hearing officer shall resolve the request for party or intervenor status not later than five days after the applicant's response.

(4) If party or intervenor status is granted, the application shall be removed from the expedited pathway and processed through the standard pathway described in section 231 of this act. In determining whether to grant intervention, the hearing officer shall consider the unique nature of the expedited process and potential burden imposed by permitting intervention.

(5) The date of any referral of an application under this subsection to the standard pathway shall be considered the date on which the

application was deemed complete.

(f) For any complete application that is eligible for expedited review under this section, the Certificate of Need Program shall complete its analysis and the director shall issue a proposed final decision not later than sixty days after the application is deemed complete and eligible for expedited review under this section and present the application to the panel at its next meeting.

(g) An applicant may file written briefs or exceptions and request oral argument regarding the proposed final decision not later than seven days after the publication of such proposed final decision. The program shall submit the proposed final decision and any subsequent submissions from the applicant to the panel.

(h) The panel shall base its decision in the expedited pathway on the same standards and guidelines as those in subsection (a) of section 230 of this act. At the panel's meeting to consider an expedited application, the panel shall vote on the disposition of the certificate of need application. The panel may approve the application, with or without conditions, deny the application, remand the application to the program for further development of the record for presentation at the next panel meeting, remand the application for further development of the record in the standard certificate of need application process pursuant to section 231 of this act, or order the program and applicant to engage in agreed settlement negotiations.

(1) Any proposed final decision that is approved by the vote of the panel shall be automatically converted to a final decision upon such approval.

(2) Any proposed final decision that is voted to be modified by the panel shall be modified consistent with the direction of the panel and posted as a final decision of the panel not later than twenty-one days

after the panel's vote to modify, provided, at least five days before posting the modified final decision, the program or hearing officer shall meet with the applicant, unless otherwise prohibited by law, to preview the conditions to be finalized.

(3) Any docket remanded for further development of the record and presentation at the next meeting shall not be so remanded more than twice by the panel unless by mutual agreement of the panel and the applicant.

(4) Any docket remanded for processing under the standard certificate of need application pursuant to section 231 of this act shall have the date of the panel's vote be the date on which the application is considered to be deemed complete in the standard process.

(5) Any docket referred for settlement negotiations shall have the resulting negotiated proposed settlement presented at the next panel meeting. The panel shall vote on the proposed settlement and may approve the proposed settlement or reject such settlement and move to one of the other available dispositions of the docket.

(6) Nothing in this section shall preclude the program and the applicant from engaging in negotiations to reach an agreed settlement at an earlier point in the process, provided such negotiations occur not earlier than fifteen days after the application has been deemed complete. Any negotiated agreement shall be presented for review and a vote on the disposition thereof at the next meeting of the panel that is at least five days after the date of the settlement.

(i) The Certificate of Need Program may recommend, and the panel may impose any condition on, an approval of an expedited certificate of need application, provided (1) any such condition is consistent with the purposes of sections 227 to 237, inclusive, of this act, and (2) the program or hearing officer shall meet with the applicant, unless otherwise

prohibited by law, at least five days before issuing a proposed final decision or a final decision that imposes any such condition, to preview each such condition to be met by the applicant. The applicant and any party to the application may request an amendment to or relief from any condition, in a form and manner prescribed by the commissioner, due to changed circumstances, hardship or for other good cause. The panel may grant or deny any such request. The determination to deny such request shall not be subject to appeal under section 4-183 of the general statutes.

(j) Not later than July 1, 2029, the Certificate of Need Program, in consultation with relevant stakeholders, shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to public health regarding the expedited pathway, including (1) the average time from application submission to final decision, (2) the number of applications processed through the expedited process in comparison to the standard process, (3) the number of applications filed under the expedited pathway that have been transferred to the standard pathway and the reasons for such transfer, and (4) any recommendations for process changes to the expedited pathway.

(k) Any deadlines in this section may be extended by mutual agreement of the program and the applicant.

Sec. 233. (NEW) (*Effective October 1, 2026*) (a) For a certificate of need issued pursuant to an application filed on or after July 1, 2027, the certificate of need shall be valid (1) only for the proposal described in the application, and (2) for two years from the date of issuance by the panel. During the period of time that such certificate is valid and the thirty-day period following the expiration of the certificate, the holder of the certificate shall provide the Certificate of Need Program with such information as the program may request on the development of the

proposal covered by the certificate.

(b) Upon request from a certificate of need holder, the program may extend the duration of a certificate of need for such additional period of time as the program determines is reasonably necessary to expeditiously complete the proposal. Not later than five business days after receiving a request to extend the duration of a certificate of need, the program shall post such request on its Internet web site. Any person who wishes to comment on extending the duration of the certificate of need shall provide written comments to the program on the requested extension not later than thirty days after the date the program posts notice of the request for an extension of time on its Internet web site.

(c) If the program determines that (1) commencement, construction or other preparation has not been substantially undertaken during a valid certificate of need period, or (2) the certificate of need holder has not made a good-faith effort to complete the proposal as approved, the program may withdraw, revoke or rescind the certificate of need pursuant to the requirements set forth in chapter 54 of the general statutes.

(d) For a certificate of need issued pursuant to an application filed on or after July 1, 2027, the (1) certificate of need shall not be transferable or assignable, and (2) project that is the subject of the certificate of need shall not be transferred from a certificate holder to another person.

Sec. 234. (NEW) (*Effective October 1, 2026*) (a) On and after July 1, 2027, the Certificate of Need Program shall conduct a cost and market impact review for any transaction involving the transfer of ownership or control of a hospital in which (1) an application for a certificate of need has been filed pursuant to subdivision (2) of subsection (a) of section 229 of this act or a notice of material change has been filed with the Attorney General's office pursuant to section 19a-486i of the general statutes that involves the transfer of ownership of a hospital, as defined in section

19a-639 of the general statutes, and (2) the purchaser is (A) a hospital, as defined in section 19a-490 of the general statutes, whether located within or outside the state, that had net patient revenue for fiscal year 2025 in an amount greater than one billion dollars, (B) a hospital system, as defined in section 19a-486i of the general statutes, whether located within or outside the state, that had net patient revenue for fiscal year 2025 in an amount greater than one billion dollars, or (C) any person that is organized or operated for profit.

(b) The program shall develop a set of data requests to be used for applications filed on and after July 1, 2027, for all cost and market impact reviews. An applicant that is the subject of a cost and market impact review shall submit all data necessary for such review at the same time that the hospital initiates the application process for a certificate of need with the program or that it submits a notice of material change to the Attorney General under section 19a-486i of the general statutes, whichever is earlier. The program shall review the data submission for completeness not later than thirty days after submission. If the data submission is incomplete, the program shall notify the applicant that it is incomplete and identify which data elements are incomplete.

(c) The program shall keep confidential all nonpublic information and documents obtained pursuant to this section and shall not disclose the information or documents to any person without the consent of the person that produced the information or documents, except in a preliminary report or final report issued in accordance with this section if the program believes that such disclosure should be made in the public interest after taking into account any privacy, trade secret or anti-competitive considerations. Such information and documents shall not be deemed a public record under section 1-210 of the general statutes and shall be exempt from disclosure.

(d) The cost and market impact review conducted pursuant to this section shall examine factors relating to the businesses and relative

market positions of the transacting parties as defined in subsection (d) of section 19a-639 of the general statutes, and may include, but need not be limited to: (1) The transacting parties' size and market share within its primary service area, by major service category and within its dispersed service areas; (2) the transacting parties' prices for services, including the transacting parties' relative prices compared to other health care providers for the same services in the same market; (3) the transacting parties' health status adjusted total medical expense, including the transacting parties' health status adjusted total medical expense compared to that of similar health care providers; (4) the quality of the services provided by the transacting parties, including patient experience; (5) the transacting parties' cost and cost trends in comparison to total health care expenditures state wide; (6) the availability and accessibility of services similar to those provided by each transacting party, or proposed to be provided as a result of the transfer of ownership of a hospital within each transacting party's primary service areas and dispersed service areas; (7) the impact of the proposed transfer of ownership of the hospital on competing options for the delivery of health care services within each transacting party's primary service area and dispersed service area including the impact on existing service providers; (8) the methods used by the transacting parties to attract patient volume and to recruit or acquire health care professionals or facilities; (9) the role of each transacting party in serving at-risk, underserved and government payer patient populations, including those with behavioral, substance use disorder and mental health conditions, within each transacting party's primary service area and dispersed service area; (10) the role of each transacting party in providing low margin or negative margin services within each transacting party's primary service area and dispersed service area; (11) consumer concerns, including, but not limited to, complaints or other allegations that a transacting party has engaged in any unfair method of competition or any unfair or deceptive act or practice; and (12) any other factors that the program determines to be in the public interest.

(e) The program shall submit the preliminary report to the applicant and to the Attorney General not later than ninety days after the data submissions are deemed complete. The applicant shall respond, in writing, not later than fifteen days after receipt of such preliminary report with any comments regarding such report. Once the applicant has submitted such written comments or waived the opportunity to make such a submission, the program shall make the preliminary report and the applicant's comments public. The program shall issue a final report not later than one hundred twenty days after the application was deemed complete and make such final report part of the public certificate of need record of such application.

(f) Nothing in this section shall prohibit a transfer of ownership of a hospital, provided any such proposed transfer shall not be completed (1) less than thirty days after the program has issued a final report on a cost and market impact review, if such review is required, or (2) while any action brought by the Attorney General pursuant to subsection (g) of this section is pending and before a final judgment on such action is issued by a court of competent jurisdiction.

(g) After the program issues a final report on a transfer of ownership of a hospital under subsection (e) of this section, the Attorney General may: (1) Conduct an investigation to determine whether the transacting parties engaged or, as a result of completing the transfer of ownership of the hospital, are expected to engage in unfair methods of competition, anti-competitive behavior or other conduct in violation of chapter 624 or 735a of the general statutes or any other state or federal law; and (2) if appropriate, take action under chapter 624 or 735a of the general statutes or any other state law to protect consumers in the health care market. The program's final report may be evidence in any such action.

(h) For the purposes of this section, the provisions of chapter 735a of the general statutes may be directly enforced by the Attorney General. Nothing in this section shall be construed to modify, impair or

supersede the operation of any state antitrust law or otherwise limit the authority of the Attorney General to (1) take any action against a transacting party as authorized by any law; or (2) protect consumers in the health care market under any law. Notwithstanding subdivision (1) of subsection (a) of section 42-110c of the general statutes, the transacting parties shall be subject to chapter 735a of the general statutes.

(i) The program shall retain an independent consultant with expertise on the economic analysis of the health care market and health care costs and prices to conduct each cost and market impact review, as described in this section. The program shall submit bills for such services to the purchaser, as defined in subsection (d) of section 19a-639 of the general statutes. Such purchaser shall pay such bills not later than thirty days after receipt thereof. Such bills shall not exceed two hundred fifty thousand dollars per application. The provisions of chapter 57 of the general statutes, sections 4-212 to 4-219, inclusive, of the general statutes and section 4e-19 of the general statutes shall not apply to any agreement executed pursuant to this subsection.

Sec. 235. (NEW) (*Effective October 1, 2026*) (a) On and after July 1, 2027, the director of the Certificate of Need Program shall investigate all inquiries concerning compliance with the provisions of sections 227 to 237, inclusive, of this act.

(b) The panel, or any agent authorized by the panel to conduct any inquiry, investigation or hearing under the provisions of sections 227 to 237, inclusive, of this act, shall have authority to administer oaths and take testimony under oath relative to the matter of inquiry or investigation. At any hearing under this section, the panel or such authorized agent may subpoena witnesses and require the production of records, papers and documents pertinent to such inquiry. If any person disobeys such process or, having appeared in obedience thereto, refuses to answer any pertinent question put to such person by the panel

or such panel's authorized agent or to produce any records and papers pursuant thereto, the panel or such panel's authorized agent may apply to the superior court for the judicial district of Hartford or for the judicial district wherein the person resides or the business that is the subject of the inquiry has been conducted, or to any judge of said court if the same is not in session, setting forth such disobedience to process or refusal to answer, and said court or such judge shall cite such person to appear before said court or such judge to answer such question or to produce such records and papers.

(c) Any person or health care facility or institution that is required to acquire a certificate of need for any of the activities described in subsection (a) of section 229 of this act and negligently undertakes any of the activities described in said section without such certificate of need, any person, or health care facility or institution that is subject to any terms or conditions enumerated in a certificate of need decision or agreed settlement approved by the panel and negligently fails to comply with any such enumerated term or condition, and any person or entity that is required to submit a notice to the program pursuant to subsection (d) of section 229 of this act or section 237 of this act and negligently fails to submit such notice shall be subject to a civil penalty of up to one thousand dollars a day for each day such person, entity or institution conducts any of the described activities without certificate of need approval as required by section 229 of this act, or for each day any enumerated term or condition is not met or for each day that the notice was not timely submitted. Any civil penalty proceeding authorized by this section shall be initiated by the program, which shall also present allegations of such negligence at a hearing before the panel in accordance with subsections (b) to (f), inclusive, of this section.

(d) If the program has reason to believe that a person or health care facility or institution has committed a violation for which a civil penalty is authorized pursuant to subsection (c) of this section or subsection (e)

of section 19a-632 of the general statutes, the program shall notify such person or health care facility or institution by first class mail or personal service. The notice shall include: (1) A reference to the sections of the statute, regulation or settlement agreement involved; (2) a short and plain statement of the matters asserted or charged; (3) a statement of the amount of the civil penalty or penalties to be imposed; (4) the initial date of the imposition of the penalty; and (5) a statement of the party's right to a hearing.

(e) The person or health care facility or institution to whom the notice is addressed shall have fifteen business days after the date of mailing of the notice to make written application to the program to (1) request a hearing to contest the imposition of the penalty, (2) request an extension of time to file the required data, or (3) comply with enumerated conditions of an agreed settlement. A failure to make a timely request for a hearing or an extension of time to file the required data or a denial of a request for an extension of time shall result in a final order for the imposition of the penalty. All hearings under this section shall be conducted pursuant to chapter 54 of the general statutes. The panel may mitigate or waive the penalty upon such terms and conditions as, in its discretion, it deems proper or necessary upon consideration of any extenuating factors or circumstances.

(f) A final order of the panel assessing a civil penalty imposed after a hearing before the panel pursuant to subsection (d) of this section shall be subject to appeal as set forth in section 4-183 of the general statutes, except that any such appeal shall be taken to the superior court for the judicial district of New Britain. Such final order shall not be subject to appeal under any other provision of the general statutes. No challenge to any such final order shall be allowed as to any issue which could have been raised by an appeal of an earlier order, denial or other final decision by the panel.

(g) If any person or health care facility or institution fails to pay any

civil penalty under this section after the assessment of such penalty has become final, the amount of such penalty may be deducted from payments to such person or health care facility or institution from the Medicaid account.

(h) In addition to any civil penalty imposed under this section, if the director of the program or the director's authorized agent has received information and has a reasonable belief that any person or health care facility or institution has violated or is violating any provision of sections 227 to 237, inclusive, of this act, or any policy and procedure or order of the panel, the director or such agent shall notify such person or health care facility or institution by first class mail or personal service. The notice shall include: (1) A reference to the sections of the general statutes, regulations of Connecticut state agencies or orders alleged or believed to have been violated; (2) a short and plain language statement of the matters asserted or charged; (3) a description of the activity alleged to have violated a statute or regulation identified pursuant to subdivision (1) of this subsection; (4) a statement concerning the right to a hearing of such person or health care facility or institution; and (5) a statement that such person or health care facility or institution may, not later than ten business days after receipt of such notice, make a written request for a hearing on the matters asserted, to be sent to the commissioner or such agent.

(i) The person or health care facility or institution to whom such notice is provided pursuant to subsection (h) of this section may, not later than ten business days after receipt of the notice, make written application to the program to request a hearing to demonstrate that such violation has not occurred, a certificate of need was not required or each required certificate of need was obtained. A failure to make a timely request for a hearing shall result in the panel issuing a cease and desist order. Each hearing held under this subsection shall be conducted as a contested case pursuant to chapter 54 of the general statutes.

(j) If the panel finds, by a preponderance of the evidence, following a hearing held under subsection (i) of this section that such person or health care facility or institution has violated or is violating any provision of sections 227 to 237, inclusive, of this act, or any regulation or order of the department, the panel shall issue a cease and desist order to such person or health care facility or institution that shall be considered a final decision subject to appeal to the Superior Court in accordance with section 4-183 of the general statutes.

(k) Any cease and desist order issued under this section may be enforced by the Attorney General pursuant to section 19a-642 of the general statutes.

(l) Any civil penalty proceeding and any investigation or cease and desist proceeding may be conducted simultaneously in a unified proceeding.

Sec. 236. (NEW) (*Effective October 1, 2026*) The commissioner shall adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to implement the provisions of sections 227 to 237, inclusive, of this act. The commissioner may implement policies and procedures necessary to administer the provisions of said sections while in the process of adopting such policies and procedures as regulation, provided, prior to implementing such policies and procedures, the department shall convene a working group with relevant stakeholders to provide input on the development of such policies and procedures. The commissioner shall convene the working group not later than January 1, 2027. Policies and procedures implemented pursuant to this section shall be valid until the earlier of two years from the date of their implementation or the time final regulations are adopted.

Sec. 237. (NEW) (*Effective October 1, 2026*) (a) On and after July 1, 2027, a hospital may temporarily pause a service for up to ninety days, provided, if a hospital intends to indefinitely terminate a service line or

pause a service line for more than ninety days, the hospital shall notify the Certificate of Need Program, in writing, not less than ninety days prior to commencing such pause or termination. For purposes of this section, "service line" means a category of inpatient and outpatient services but does not include services provided by an emergency department.

(b) Except as provided in subsection (d) of this section, not less than ninety days prior to commencing any termination of service by a hospital or any pause of a service intended to last more than ninety days, the hospital shall provide notice, either electronically or in writing, to the program that includes the following information:

(1) A description of the service to be paused or terminated;

(2) Current and historical utilization rates for such service;

(3) A description of the anticipated impact of such pause or termination on individuals and health care facilities in the hospital's primary service area;

(4) The date set for the pause or termination of service and, if applicable, the anticipated date of resumption of such service;

(5) A detailed account of any community engagement and planning that has occurred prior to such notice or that is scheduled to occur prior to the pause or termination; and

(6) Any other information the director may require.

(c) The hospital shall also send a copy of such notice to the office of the Attorney General, the Department of Social Services, the Office of the Healthcare Advocate, and, if it relates to a behavioral health service or substance use disorder treatment service, the Department of Mental Health and Addiction Services and the Behavioral Health Advocate.

(d) When the provision of ninety days' notice of the cessation of a service line is not practicable due to circumstances outside of the hospital's control, such as the death of the provider of such service or due to natural disaster, the hospital shall provide notice to the program as soon as practicable but in no case later than fourteen days after the initiation of the unanticipated cessation.

(e) The program shall hold a public hearing concerning the proposed pause or termination of service, the impact on the hospital's primary service area and the proposed plans for ensuring continued access to high-quality, affordable health care in such service area. The hearing record and any submitted public comments shall inform the panel's review of the proposed plan and any imposed conditions pursuant to subsection (f) of this section.

(f) Not later than sixty days prior to commencing the pause or termination of a service, the hospital shall submit a plan for ensuring access to such service following the hospital's pause or termination of such service. If the cessation of the service is due to an unplanned event outside the control of the hospital, as described in subsection (d) of this section, the hospital shall submit the plan for ensuring access to the service within fourteen days of the hospital's cessation of the service line. The plan shall include:

(1) Information on utilization of such service prior to the proposed pause or termination;

(2) Information on the location and service capacity of alternative sites that provide such service;

(3) Travel times to alternative sites that provide such service;

(4) An assessment of transportation needs after the pause or termination and a plan for meeting such needs;

(5) A protocol that details mechanisms to maintain continuity of care for patients who receive such paused or terminated service;

(6) A protocol that describes how patients in the hospital's primary service area will obtain such service at alternative sites that provide such service; and

(7) A communication plan for ensuring all affected patients in the hospital's primary service area are aware of the pause or termination of such service, where they may obtain such service at an alternative site and the assistance available from the hospital to obtain such service to preserve continuity of care.

(g) The program shall review the plan submitted by the hospital pursuant to subsection (f) of this section to determine if the plan ensures continued access to the service to be paused or terminated. The program shall complete its review of the plan and submit to the hospital and panel written recommendations regarding the approval, modification or imposition of conditions upon the plan not later than ten days after receiving the plan from the hospital. The panel shall hold a meeting on the plan not later than ten days after receipt of such recommendations. The hospital may submit a response to such recommendations at or prior to such meeting. Not later than ten days after such meeting, the panel shall approve the plan, require modifications to the plan or add conditions to the plan.

(h) The panel's decision approving or modifying the plan shall constitute a final decision subject to appeal under section 4-183 of the general statutes.

(i) The program shall monitor implementation of the hospital's plan for preserving access to a health care service following a pause of termination of such service under this section. If the hospital fails to implement any aspect of the plan as approved by the panel pursuant to

subsection (g) of this section, the program may impose a performance improvement plan on the hospital. Failure to comply with the performance improvement plan and continued failure to perform under the plan may result in the imposition of civil penalties pursuant to section 235 of this act.

Sec. 238. Subsection (a) of section 19a-612d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) The Commissioner of Health Strategy shall oversee the Health Systems Planning Unit and shall exercise independent decision-making authority over all certificate of need decisions for applications for a certificate of need filed on or before June 30, 2027.

Sec. 239. Subsections (a) to (e), inclusive, of section 19a-638 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) **[**A**]** On and before June 30, 2027, a certificate of need issued by the unit shall be required for:

(1) The establishment of a new health care facility;

(2) A transfer of ownership of a health care facility;

(3) A transfer of ownership of a large group practice to any entity other than a (A) physician, or (B) group of two or more physicians, legally organized in a partnership, professional corporation or limited liability company formed to render professional services and not employed by or an affiliate of any hospital, medical foundation, insurance company or other similar entity;

(4) The establishment of a freestanding emergency department;

(5) The termination of inpatient or outpatient services offered by a

hospital, including, but not limited to, the termination by a short-term acute care general hospital or children's hospital of inpatient and outpatient mental health and substance abuse services;

(6) The establishment of an outpatient surgical facility, as defined in section 19a-493b, or as established by a short-term acute care general hospital;

(7) The termination of surgical services by an outpatient surgical facility, as defined in section 19a-493b, or a facility that provides outpatient surgical services as part of the outpatient surgery department of a short-term acute care general hospital, provided termination of outpatient surgical services due to (A) insufficient patient volume, or (B) the termination of any subspecialty surgical service, shall not require certificate of need approval;

(8) The termination of an emergency department by a short-term acute care general hospital;

(9) The establishment of cardiac services, including inpatient and outpatient cardiac catheterization, interventional cardiology and cardiovascular surgery;

(10) The acquisition of computed tomography scanners, magnetic resonance imaging scanners, positron emission tomography scanners or positron emission tomography-computed tomography scanners, by any person, physician, provider, short-term acute care general hospital or children's hospital, except (A) as provided for in subdivision (22) of subsection (b) of this section, and (B) a certificate of need issued by the unit shall not be required where such scanner is a replacement for a scanner that was previously acquired through certificate of need approval or a certificate of need determination, including a replacement scanner that has dual modalities or functionalities if the applicant already offers similar imaging services for each of the scanner's

modalities or functionalities that will be utilized;

(11) The acquisition of nonhospital based linear accelerators, except a certificate of need issued by the unit shall not be required where such accelerator is a replacement for an accelerator that was previously acquired through certificate of need approval or a certificate of need determination;

(12) An increase in the licensed bed capacity of a health care facility, except as provided in subdivision (23) of subsection (b) of this section;

(13) The acquisition of equipment utilizing technology that has not previously been utilized in the state;

(14) An increase of two or more operating rooms within any three-year period, commencing on and after October 1, 2010, by an outpatient surgical facility, as defined in section 19a-493b, or by a short-term acute care general hospital; and

(15) The termination of inpatient or outpatient services offered by a hospital or other facility or institution operated by the state that provides services that are eligible for reimbursement under Title XVIII or XIX of the federal Social Security Act, 42 USC 301, as amended.

(b) **[**A**]** On and before June 30, 2027, a certificate of need issued by the unit shall not be required for:

(1) Health care facilities owned and operated by the federal government;

(2) The establishment of offices by a licensed private practitioner, whether for individual or group practice, except when a certificate of need is required in accordance with the requirements of section 19a-493b or subdivision (3), (10) or (11) of subsection (a) of this section;

(3) A health care facility operated by a religious group that

exclusively relies upon spiritual means through prayer for healing;

(4) Residential care homes, as defined in subsection (c) of section 19a-490, and nursing homes and rest homes, as defined in subsection (o) of section 19a-490;

(5) An assisted living services agency, as defined in section 19a-490;

(6) Home health agencies, as defined in section 19a-490;

(7) Hospice services, as described in section 19a-122b;

(8) Outpatient rehabilitation facilities;

(9) Outpatient chronic dialysis services;

(10) Transplant services;

(11) Free clinics, as defined in section 19a-630;

(12) School-based health centers and expanded school health sites, as such terms are defined in section 19a-6r, community health centers, as defined in section 19a-490a, not-for-profit outpatient clinics licensed in accordance with the provisions of chapter 368v and federally qualified health centers;

(13) A program licensed or funded by the Department of Children and Families, provided such program is not a psychiatric residential treatment facility;

(14) Any nonprofit facility, institution or provider that has a contract with, or is certified or licensed to provide a service for, a state agency or department for a service that would otherwise require a certificate of need. The provisions of this subdivision shall not apply to a short-term acute care general hospital or children's hospital, or a hospital or other facility or institution operated by the state that provides services that are

eligible for reimbursement under Title XVIII or XIX of the federal Social Security Act, 42 USC 301, as amended;

(15) A health care facility operated by a nonprofit educational institution exclusively for students, faculty and staff of such institution and their dependents;

(16) An outpatient clinic or program operated exclusively by or contracted to be operated exclusively by a municipality, municipal agency, municipal board of education or a health district, as described in section 19a-241;

(17) A residential facility for persons with intellectual disability licensed pursuant to section 17a-227 and certified to participate in the Title XIX Medicaid program as an intermediate care facility for individuals with intellectual disabilities;

(18) Replacement of existing computed tomography scanners, magnetic resonance imaging scanners, positron emission tomography scanners, positron emission tomography-computed tomography scanners, or nonhospital based linear accelerators, if such equipment was acquired through certificate of need approval or a certificate of need determination, provided a health care facility, provider, physician or person notifies the unit of the date on which the equipment is replaced and the disposition of the replaced equipment, including if a replacement scanner has dual modalities or functionalities and the applicant already offers similar imaging services for each of the equipment's modalities or functionalities that will be utilized;

(19) Acquisition of cone-beam dental imaging equipment that is to be used exclusively by a dentist licensed pursuant to chapter 379;

(20) The partial or total elimination of services provided by an outpatient surgical facility, as defined in section 19a-493b, except as provided in subdivision (6) of subsection (a) of this section and section

19a-639e;

(21) The termination of services for which the Department of Public Health has requested the facility to relinquish its license;

(22) Acquisition of any equipment by any person that is to be used exclusively for scientific research that is not conducted on humans;

(23) On or before **[**June 30, 2026**]** June 30, 2027, an increase in the licensed bed capacity of a mental health facility, provided (A) the mental health facility demonstrates to the unit, in a form and manner prescribed by the unit, that it accepts reimbursement for any covered benefit provided to a covered individual under: (i) An individual or group health insurance policy providing coverage of the type specified in subdivisions (1), (2), (4), (11) and (12) of section 38a-469; (ii) a self-insured employee welfare benefit plan established pursuant to the federal Employee Retirement Income Security Act of 1974, as amended from time to time; or (iii) HUSKY Health, as defined in section 17b-290, and (B) if the mental health facility does not accept or stops accepting reimbursement for any covered benefit provided to a covered individual under a policy, plan or program described in clause (i), (ii) or (iii) of subparagraph (A) of this subdivision, a certificate of need for such increase in the licensed bed capacity shall be required; **[**.**]**

(24) The establishment at harm reduction centers through the pilot program established pursuant to section 17a-673c; or

(25) On or before **[**June 30, 2028**]** June 30, 2027, a birth center, as defined in section 19a-490, that is enrolled as a provider in the Connecticut medical assistance program, as defined in section 17b-245g.

(c) (1) Any person **[**,**]** or health care facility or institution that is unsure whether a certificate of need is required under this section, or (2) any health care facility that proposes to relocate pursuant to section 19a-639c, shall send a letter to the unit that describes the project and requests

that the unit make a determination as to whether a certificate of need is required. In the case of a relocation of a health care facility, the letter shall include information described in section 19a-639c. A person **[**,**]** or health care facility or institution making such request shall provide the unit with any information the unit requests as part of its determination process. The unit shall provide a determination within thirty days of receipt of such request.

(d) The Commissioner of Health Strategy may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner holds a public hearing prior to implementing the policies and procedures and posts notice of intent to adopt regulations on the office's Internet web site and the eRegulations System not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

(e) On or before **[**June 30, 2026**]** June 30, 2027, a mental health facility seeking to increase licensed bed capacity without applying for a certificate of need, as permitted pursuant to subdivision (23) of subsection (b) of this section, shall notify the Office of Health Strategy, in a form and manner prescribed by the commissioner, regarding (1) such facility's intent to increase licensed bed capacity, (2) the address of such facility, and (3) a description of all services that are being or will be provided at such facility.

Sec. 240. Subsections (a) to (e), inclusive, of section 19a-639 of the 2026 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) In any deliberations involving a certificate of need application filed on or before June 30, 2027, pursuant to section 19a-638, the unit shall take into consideration and make written findings concerning each

of the following guidelines and principles:

(1) Whether the proposed project is consistent with any applicable policies and standards adopted in regulations by the Office of Health Strategy;

(2) The relationship of the proposed project to the state-wide health care facilities and services plan;

(3) Whether there is a clear public need for the health care facility or services proposed by the applicant;

(4) Whether the applicant has satisfactorily demonstrated how the proposal will impact the financial strength of the health care system in the state or that the proposal is financially feasible for the applicant;

(5) Whether the applicant has satisfactorily demonstrated how the proposal will improve quality, accessibility and cost effectiveness of health care delivery in the region, including, but not limited to, provision of or any change in the access to services for Medicaid recipients and indigent persons;

(6) The applicant's past and proposed provision of health care services to relevant patient populations and payer mix, including, but not limited to, access to services by Medicaid recipients and indigent persons;

(7) Whether the applicant has satisfactorily identified the population to be served by the proposed project and satisfactorily demonstrated that the identified population has a need for the proposed services;

(8) The utilization of existing health care facilities and health care services in the service area of the applicant;

(9) Whether the applicant has satisfactorily demonstrated that the proposed project shall not result in an unnecessary duplication of

existing or approved health care services or facilities;

(10) Whether an applicant, who has failed to provide or reduced access to services by Medicaid recipients or indigent persons, has demonstrated good cause for doing so, which shall not be demonstrated solely on the basis of differences in reimbursement rates between Medicaid and other health care payers;

(11) Whether the applicant has satisfactorily demonstrated that the proposal will not negatively impact the diversity of health care providers and patient choice in the geographic region; and

(12) Whether the applicant has satisfactorily demonstrated that any consolidation resulting from the proposal will not adversely affect health care costs or accessibility to care.

(b) **[**In**]** On or before June 30, 2027, in deliberations as described in subsection (a) of this section, there shall be a presumption in favor of approving the certificate of need application for a transfer of ownership of a large group practice, as described in subdivision (3) of subsection (a) of section 19a-638, when an offer was made in response to a request for proposal or similar voluntary offer for sale.

(c) The unit, as it deems necessary, may revise or supplement the guidelines and principles, set forth in subsection (a) of this section, through regulation.

(d) (1) For purposes of this subsection and subsection (e) of this section:

(A) "Affected community" means a municipality where a hospital is physically located or a municipality whose inhabitants are regularly served by a hospital;

(B) "Hospital" has the same meaning as provided in section 19a-490;

(C) "New hospital" means a hospital as it exists after the approval of an agreement pursuant to section 19a-486b or a certificate of need application for a transfer of ownership of a hospital;

(D) "Purchaser" means a person who is acquiring, or has acquired, any assets of a hospital through a transfer of ownership of a hospital;

(E) "Transacting party" means a purchaser and any person who is a party to a proposed agreement for transfer of ownership of a hospital;

(F) "Transfer" means to sell, transfer, lease, exchange, option, convey, give or otherwise dispose of or transfer control over, including, but not limited to, transfer by way of merger or joint venture not in the ordinary course of business; and

(G) "Transfer of ownership of a hospital" means a transfer that impacts or changes the governance or controlling body of a hospital, including, but not limited to, all affiliations, mergers or any sale or transfer of net assets of a hospital and for which a certificate of need application or a certificate of need determination letter is filed on or after December 1, 2015.

(2) In any deliberations involving a certificate of need application filed on or before June 30, 2027, pursuant to section 19a-638 that involves the transfer of ownership of a hospital, the unit shall, in addition to the guidelines and principles set forth in subsection (a) of this section and those prescribed through regulation pursuant to subsection (c) of this section, take into consideration and make written findings concerning each of the following guidelines and principles:

(A) Whether the applicant fairly considered alternative proposals or offers in light of the purpose of maintaining health care provider diversity and consumer choice in the health care market and access to affordable quality health care for the affected community; and

(B) Whether the plan submitted pursuant to section 19a-639a demonstrates, in a manner consistent with this chapter, how health care services will be provided by the new hospital for the first three years following the transfer of ownership of the hospital, including any consolidation, reduction, elimination or expansion of existing services or introduction of new services.

(3) The unit shall deny any certificate of need application involving a transfer of ownership of a hospital unless the commissioner finds that the affected community will be assured of continued access to high quality and affordable health care after accounting for any proposed change impacting hospital staffing.

(4) The unit may deny any certificate of need application involving a transfer of ownership of a hospital subject to a cost and market impact review pursuant to section 19a-639f if the commissioner finds that (A) the affected community will not be assured of continued access to high quality and affordable health care after accounting for any consolidation in the hospital and health care market that may lessen health care provider diversity, consumer choice and access to care, and (B) any likely increases in the prices for health care services or total health care spending in the state may negatively impact the affordability of care.

(5) The unit may place any conditions on the approval of a certificate of need application involving a transfer of ownership of a hospital consistent with the provisions of this chapter. Before placing any such conditions, the unit shall weigh the value of such conditions in promoting the purposes of this chapter against the individual and cumulative burden of such conditions on the transacting parties and the new hospital. For each condition imposed, the unit shall include a concise statement of the legal and factual basis for such condition and the provision or provisions of this chapter that it is intended to promote. Each condition shall be reasonably tailored in time and scope. The transacting parties or the new hospital shall have the right to make a

request to the unit for an amendment to, or relief from, any condition based on changed circumstances, hardship or for other good cause.

(6) In any deliberations involving a certificate of need application filed pursuant to section 19a-638 that involves the transfer of ownership of a hospital and is subject to a cost and market impact review, the unit may consider (A) the preliminary report and response to the preliminary report, (B) the final report, and (C) any written comments from the parties regarding the reports issued or submitted as part of the review. The unit shall not place the preliminary report in the public record until the transacting parties have had an opportunity to respond to the findings of the preliminary report pursuant to subsection (f) of section 19a-639f.

(e) (1) If the certificate of need application filed on or before June 30, 2027, (A) involves the transfer of ownership of a hospital, (B) the purchaser is a hospital, as defined in section 19a-490, whether located within or outside the state, that had net patient revenue for fiscal year 2013 in an amount greater than one billion five hundred million dollars or a hospital system, as defined in section 19a-486i, whether located within or outside the state, that had net patient revenue for fiscal year 2013 in an amount greater than one billion five hundred million dollars, or any person that is organized or operated for profit, and (C) such application is approved, the unit shall hire an independent consultant to serve as a post-transfer compliance reporter for a period of three years after completion of the transfer of ownership of the hospital. Such reporter shall, at a minimum: (i) Meet with representatives of the purchaser, the new hospital and members of the affected community served by the new hospital not less than quarterly; and (ii) report to the unit not less than quarterly concerning (I) efforts the purchaser and representatives of the new hospital have taken to comply with any conditions the unit placed on the approval of the certificate of need application and plans for future compliance, and (II) community

benefits and uncompensated care provided by the new hospital. The purchaser shall give the reporter access to its records and facilities for the purposes of carrying out the reporter's duties. The purchaser shall hold a public hearing in the municipality in which the new hospital is located not less than annually during the reporting period to provide for public review and comment on the reporter's reports and findings.

(2) If the reporter finds that the purchaser has breached a condition of the approval of the certificate of need application, the unit may, in consultation with the purchaser, the reporter and any other interested parties it deems appropriate, implement a performance improvement plan designed to remedy the conditions identified by the reporter and continue the reporting period for up to one year following a determination by the unit that such conditions have been resolved.

(3) The purchaser shall provide funds, in an amount determined by the unit not to exceed two hundred thousand dollars annually, for the hiring of the post-transfer compliance reporter.

Sec. 241. Section 19a-639a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) **[**An**]** On or before June 30, 2027, an application for a certificate of need shall be filed with the unit in accordance with the provisions of this section and any regulations adopted by the Office of Health Strategy. The application shall address the guidelines and principles set forth in (1) subsection (a) of section 19a-639, and (2) regulations adopted by the department. The applicant shall include with the application a nonrefundable application fee based on the cost of the project. The amount of the fee shall be as follows: (A) One thousand dollars for a project that will cost not greater than fifty thousand dollars; (B) two thousand dollars for a project that will cost greater than fifty thousand dollars but not greater than one hundred thousand dollars; (C) three thousand dollars for a project that will cost greater than one hundred

thousand dollars but not greater than five hundred thousand dollars; (D) four thousand dollars for a project that will cost greater than five hundred thousand dollars but not greater than one million dollars; (E) five thousand dollars for a project that will cost greater than one million dollars but not greater than five million dollars; (F) eight thousand dollars for a project that will cost greater than five million dollars but not greater than ten million dollars; and (G) ten thousand dollars for a project that will cost greater than ten million dollars.

(b) Prior to the filing of a certificate of need application pursuant to subsection (a) of this section, the applicant shall (1) publish notice that an application is to be submitted to the unit (A) in a newspaper having a substantial circulation in the area where the project is to be located, and (B) on the applicant's Internet web site in a clear and conspicuous location that is easily accessible by members of the public, (2) request the publication of notice (A) in at least two sites within the affected community that are commonly accessed by the public, such as a town hall or library, and (B) on any existing Internet web site of the municipality or local health department, and (3) submit such notice to the unit for posting on such unit's Internet web site. Such newspaper notice shall be published for not less than three consecutive days, with the final date of consecutive publication occurring not later than twenty days prior to the date of filing of the certificate of need application, and contain a brief description of the nature of the project and the street address where the project is to be located. Postings in the affected community and on the applicant's Internet web site shall remain until the decision on the application is rendered. The unit shall not invalidate any notice due to changes or removal of the notice from a community Internet web site of which the applicant has no control. An applicant shall file the certificate of need application with the unit not later than ninety days after publishing notice of the application in a newspaper in accordance with the provisions of this subsection. The unit shall not accept the applicant's certificate of need application for filing unless the

application is accompanied by the application fee prescribed in subsection (a) of this section and proof of compliance with the publication requirements prescribed in this subsection.

(c) (1) Not later than five business days after receipt of a properly filed certificate of need application under this section, the unit shall publish notice of the application on its Internet web site. Not later than thirty days after the date of filing of the application, the unit may request such additional information as the unit determines necessary to complete the application. In addition to any information requested by the unit, if the application involves the transfer of ownership of a hospital, as defined in section 19a-639, the applicant shall submit to the unit (A) a plan demonstrating how health care services will be provided by the new hospital for the first three years following the transfer of ownership of the hospital, including any consolidation, reduction, elimination or expansion of existing services or introduction of new services, and (B) the names of persons currently holding a position with the hospital to be purchased or the purchaser, as defined in section 19a-639, as an officer, director, board member or senior manager, whether or not such person is expected to hold a position with the hospital after completion of the transfer of ownership of the hospital and any salary, severance, stock offering or any financial gain, current or deferred, such person is expected to receive as a result of, or in relation to, the transfer of ownership of the hospital.

(2) The applicant shall, not later than sixty days after the date of the unit's request, submit any requested information and any information required under this subsection to the unit. If an applicant fails to submit such information to the unit within the sixty-day period, the unit shall consider the application to have been withdrawn.

(3) The unit shall make reasonable efforts to limit the requests for additional information to two such requests and, in all cases, cease all requests for additional information not later than six months after

receiving the application.

(d) Upon deeming an application filed under this section complete, the unit shall provide notice of this determination to the applicant and to the public in accordance with regulations adopted by the department. In addition, the unit shall post such notice on its Internet web site and notify the applicant not later than five days after deeming the application complete. The date on which the unit posts such notice on its Internet web site shall begin the review period. Except as provided in this subsection, (1) the review period for an application deemed complete shall be ninety days from the date on which the unit posts such notice on its Internet web site; and (2) the unit shall issue a decision on an application deemed complete prior to the expiration of the ninety-day review period in matters without a public hearing. The review period for an application deemed complete that involves a transfer of a large group practice, as described in subdivision (3) of subsection (a) of section 19a-638, when the offer was made in response to a request for proposal or similar voluntary offer for sale, shall be sixty days from the date on which the unit posts notice on its Internet web site. Upon request or for good cause shown, the unit may extend the review period for a period of time not to exceed sixty days. If the review period is extended, the unit shall issue a decision on the completed application prior to the expiration of the extended review period. If the unit holds a public hearing concerning a completed application in accordance with subsection (e) or (f) of this section, the unit shall issue a decision on the completed application not later than sixty days after the date the unit closes the public hearing record.

(e) Except as provided in this subsection, the unit shall hold a public hearing on a **[**properly filed and completed**]** certificate of need application properly filed and completed under this section if three or more individuals or an individual representing an entity with five or more people submits a request, in writing, that a public hearing be held

on the application. For a **[**properly filed and completed**]** certificate of need application properly filed and completed under this section involving a transfer of ownership of a large group practice, as described in subdivision (3) of subsection (a) of section 19a-638, when an offer was made in response to a request for proposal or similar voluntary offer for sale, a public hearing shall be held if twenty-five or more individuals or an individual representing twenty-five or more people submits a request, in writing, that a public hearing be held on the application. Any request for a public hearing shall be made to the unit not later than thirty days after the date the unit deems the application to be complete.

(f) (1) The unit shall hold a public hearing with respect to each certificate of need application filed pursuant to section 19a-638, after December 1, 2015, and on or before June 30, 2027, that concerns any transfer of ownership involving a hospital. Such hearing shall be held in the municipality in which the hospital that is the subject of the application is located.

(2) The unit may hold a public hearing with respect to any certificate of need application submitted under this **[**chapter**]** section. The unit shall provide not less than two weeks' advance notice to the applicant, in writing, and to the public by publication in a newspaper having a substantial circulation in the area served by the health care facility or provider. In conducting its activities under this chapter, the unit may hold hearings with respect to applications of a similar nature at the same time. The applicant shall post a copy of the unit's hearing notice on the applicant's Internet web site in a clear and conspicuous location that is easily accessible by members of the public. Such applicant shall request the publication of notice in at least two sites within the affected community that are commonly accessed by the public, such as a town hall or library, as well as on any existing Internet web site of the municipality or local health department. The unit shall not invalidate any notice due to changes or removal of the notice from a community

Internet web site of which the applicant has no control.

(g) For applications submitted on or after October 1, 2023, and on or before June 30, 2027, the unit may retain an independent consultant with expertise in the specific area of health care that is the subject of the application filed by an applicant if the review and analysis of an application cannot reasonably be conducted by the unit without the expertise of an industry analyst or other actuarial consultant. The unit shall submit bills for independent consultant services to the applicant. Such applicant shall pay such bills not later than thirty days after receipt of such bills. Such bills shall be a reasonable amount per application. The provisions of chapter 57 and sections 4-212 to 4-219, inclusive, and 4e-19 shall not apply to any retainer agreement executed pursuant to this subsection.

[(h) The Commissioner of Health Strategy may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner holds a public hearing prior to implementing the policies and procedures and posts notice of intent to adopt regulations on the office's Internet web site and the eRegulations System not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.**]**

Sec. 242. Section 19a-639b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) A certificate of need issued under section 19a-638a shall be valid only for the project described in the application. A certificate of need issued under said section shall be valid for two years from the date of issuance by the unit. During the period of time that such certificate is valid and the thirty-day period following the expiration of the certificate, the holder of the certificate shall provide the unit with such

information as the unit may request on the development of the project covered by the certificate.

(b) **[**Upon**]** On or before June 30, 2027, upon request from a certificate holder, the unit may extend the duration of a certificate of need for such additional period of time as the unit determines is reasonably necessary to expeditiously complete the project. Not later than five business days after receiving a request to extend the duration of a certificate of need, the unit shall post such request on its web site. Any person who wishes to comment on extending the duration of the certificate of need shall provide written comments to the unit on the requested extension not later than thirty days after the date the unit posts notice of the request for an extension of time on its web site. The unit shall hold a public hearing on any request to extend the duration of a certificate of need made under this subsection if three or more individuals or an individual representing an entity with five or more people submits a request, in writing, that a public hearing be held on the request to extend the duration of a certificate of need.

(c) **[**In**]** On or before June 30, 2027, in the event that the unit determines that: (1) Commencement, construction or other preparation has not been substantially undertaken during a valid certificate of need period; or (2) the certificate holder has not made a good-faith effort to complete the project as approved, the unit may withdraw, revoke or rescind the certificate of need.

(d) **[**A**]** On or before June 30, 2027, a certificate of need shall not be transferable or assignable nor shall a project be transferred from a certificate holder to another person.

(e) The Commissioner of Health Strategy may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner holds a public hearing prior to

implementing the policies and procedures and posts notice of intent to adopt regulations on the office's Internet web site and the eRegulations System not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

Sec. 243. Subsection (a) of section 19a-639c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) **[**Any**]** On or before June 30, 2027, any health care facility that proposes to relocate a facility shall submit a letter to the unit, as described in subsection (c) of section 19a-638. In addition to the requirements prescribed in said subsection (c), in such letter the health care facility shall demonstrate to the satisfaction of the unit that the population served by the health care facility and the payer mix will not substantially change as a result of the facility's proposed relocation. If the facility is unable to demonstrate to the satisfaction of the unit that the population served and the payer mix will not substantially change as a result of the proposed relocation, the health care facility shall apply for certificate of need approval pursuant to subdivision (1) of subsection (a) of section 19a-638, in order to effectuate the proposed relocation. The unit shall provide a determination not later than thirty days after receipt of such letter.

Sec. 244. Subsections (a) to (c), inclusive, of section 19a-639e of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) Unless otherwise required to file a certificate of need application pursuant to the provisions of subsection (a) of section 19a-638, any health care facility that proposes on or before June 30, 2027, to terminate a service that was authorized pursuant to a certificate of need issued under **[**this chapter**]** section 19a-638a shall file a modification request

with the unit not later than sixty days prior to the proposed date of the termination of the service. The unit may request additional information from the health care facility as necessary to process the modification request. In addition, the unit shall hold a public hearing on any request from a health care facility to terminate a service pursuant to this section if three or more individuals or an individual representing an entity with five or more people submits a request, in writing, that a public hearing be held on the health care facility's proposal to terminate a service.

(b) Unless otherwise required to file a certificate of need application pursuant to the provisions of subsection (a) of section 19a-638, any health care facility that proposes on or before June 30, 2027, to terminate all services offered by such facility, that were authorized pursuant to one or more certificates of need issued under **[**this chapter**]** section 19a-639a, shall provide notification to the unit not later than sixty days prior to the termination of services and such facility shall surrender its certificate of need not later than thirty days prior to the termination of services.

(c) Unless otherwise required to file a certificate of need application pursuant to the provisions of subsection (a) of section 19a-638, any health care facility that proposes on or before June 30, 2027, to terminate the operation of a facility or service for which a certificate of need was not obtained shall notify the unit not later than sixty days prior to terminating the operation of the facility or service.

Sec. 245. Subsections (a) and (b) of section 19a-639f of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) The Health Systems Planning Unit of the Office of Health Strategy shall conduct a cost and market impact review in each case where (1) an application for a certificate of need filed on or before June 30, 2027, pursuant to section 19a-638 involves the transfer of ownership of a

hospital, as defined in section 19a-639, and (2) the purchaser in a transaction occurring on or before June 30, 2027, is a hospital, as defined in section 19a-490, whether located within or outside the state, that had net patient revenue for fiscal year 2013 in an amount greater than one billion five hundred million dollars, or a hospital system, as defined in section 19a-486i, whether located within or outside the state, that had net patient revenue for fiscal year 2013 in an amount greater than one billion five hundred million dollars or any person that is organized or operated for profit.

(b) Not later than twenty-one days after receipt of a properly filed certificate of need application involving the transfer of ownership of a hospital filed on or after December 1, 2015, and on or before June 30, 2027, as described in subsection (a) of this section, the unit shall initiate such cost and market impact review by sending the transacting parties a written notice that shall contain a description of the basis for the cost and market impact review as well as a request for information and documents. Not later than thirty days after receipt of such notice, the transacting parties shall submit to the unit a written response. Such response shall include, but need not be limited to, any information or documents requested by the unit concerning the transfer of ownership of the hospital. The unit shall have the powers with respect to the cost and market impact review as provided in section 19a-633.

Sec. 246. Section 19a-641 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

Any health care facility or institution and any state health care facility or institution aggrieved by any final decision of said unit issued on an application filed on or before June 30, 2027, under the provisions of sections 19a-630 to 19a-639e, inclusive, may appeal from such decision in accordance with the provisions of section 4-183, except venue shall be in the judicial district in which it is located. Such appeal shall have precedence in respect to order of trial over all other cases except writs

of habeas corpus, actions brought by or on behalf of the state, including information on the relation of private individuals, and appeals from awards or decisions of administrative law judges.

Sec. 247. Subsection (b) of section 9 of public act 26-12 is repealed and the following is substituted in lieu thereof (*Effective July 1, 2027*):

(b) (1) (A) Not later than fifteen days prior to (i) the termination or nonrenewal of any service contract, (ii) the start of a successor service contract for services previously performed by the awarding authority's own employees, or (iii) the sale or transfer of any property where employees were employed at any time during the ninety-day period preceding such sale or transfer of such property, the awarding authority shall, where applicable, give advance notice to a terminated contractor, the employees of such terminated contractor and the exclusive bargaining representative of any of the terminated contractor's employees, of the termination or nonrenewal of such service contract, successor service contract for such services or the sale or transfer of such property. Such notice shall be provided in writing to each affected employee and be posted in a conspicuous place at the worksite. The awarding authority shall provide the terminated contractor, employees of such terminated contractor and the exclusive bargaining representative of any of the terminated contractor's employees with the name, telephone number and address of the successor employer or employers, if known.

(B) The terminated contractor shall, not later than three days after receipt of such notice, provide the successor employer with the name, date of hire and employment occupation classification of each employee employed by the terminated contractor at the site or sites covered by the service contract or contract to sell or transfer property as of the date the terminated contractor receives such notice.

(2) On the date (A) the service contract terminates, (B) the successor

service contract for services previously performed by the awarding authority's own employees begins, or (C) the sale or transfer of property occurs, the terminated contractor shall provide the successor employer with updated information concerning the name, date of hire and employment occupation classification of each employee employed by the terminated contractor at the site or sites covered by the service contract or the contract to sell or transfer property, to ensure that such information is current up to the actual date of (i) service contract termination, (ii) successor service contract start, or (iii) the sale or transfer of property.

(3) If the awarding authority fails to notify the terminated contractor of the identity of the successor employer, as required by subdivision (1) of this subsection, the terminated contractor shall provide the information described in subdivision (2) of this subsection to the awarding authority not later than three days after receiving notice from the awarding authority pursuant to subdivision (1) of this subsection. The awarding authority shall be responsible for providing such information to the successor employer as soon as the successor employer has been selected.

(4) (A) Except as provided in **[**subparagraphs (D) and (E)**]** subparagraph (D) of this subdivision, a successor employer shall retain, for at least ninety days from the date of first performance of services (i) under the successor service contract, or (ii) following the date of the sale or transfer of a property, all of the employees who were continuously employed by the terminated contractor at the site or sites covered by the service contract or the contract to sell or transfer property during the ninety-day period immediately preceding the termination or nonrenewal of such service contract, start of the successor service contract or sale or transfer of such property, including any periods of layoff or leave with recall rights.

(B) Except as provided in **[**subparagraphs (D) and (E)**]** subparagraph

(D) of this subdivision, if the successor service contract is terminated prior to the expiration of such ninety-day period, then any successor employer awarded a subsequent successor service contract shall be bound by the requirements set forth in this subsection to retain, for a new ninety-day period commencing with the onset of the subsequent successor service contract, all of the employees who were previously employed by any one or more of the terminated contractors at the site or sites covered by the service contract or contract to sell or transfer property continuously during the ninety-day period immediately preceding the date of the most recently terminated service contract, including any periods of layoff or leave with recall rights.

(C) At least five days prior to the termination of a service contract, or at least fifteen days prior to the commencement of the first performance of service (i) under a successor service contract, or (ii) following the date of the sale or transfer of a property, whichever is later, the successor employer shall hand-deliver a written offer of employment in substantially the form set forth below to each such employee in such employee's native language or any other language in which such employee is fluent:

"IMPORTANT INFORMATION REGARDING YOUR EMPLOYMENT

To: .... (Name of employee)

We have received information that you are employed by .... (name of terminated contractor) and are currently performing work at .... (address of worksite) .... (name of terminated contractor's) contract to perform .... (describe services under contract) at .... (address of worksite) will terminate as of .... (last day of predecessor contract or date of the sale or transfer of property) and it will no longer be providing those services as of that date.

We are .... (name of successor employer) and have been hired to provide services similar to those of or have purchased or acquired the property of .... (name of terminated contractor) at .... (address of worksite). We are offering you a job with us for a ninety-day transition period starting .... (first day of successor contract or date of the start of services following the sale or transfer of property) to perform the same type of work that you have already been doing for .... (name of terminated contractor) under the following terms:

Payrate (per hour): $....

Hours per shift: ....

Total hours per week: ....

Benefits: ....

You must respond to this offer within the next ten days. If you want to continue working at .... (address of worksite) you must let us know by .... (no later than ten days after the date of this letter). If we do not receive your response by the end of business that day, we will not hire you and you will lose your job. We can be reached at .... (successor employer telephone number).

Connecticut state law gives you the following rights:

1. You have the right with certain exceptions, to be hired by our company for the first ninety days that we begin to provide services at .... (address of worksite).

2. During this ninety-day period, you cannot be fired without just cause.

3. If you believe that you have been fired or laid off in violation of this law, you have the right to sue us or file a complaint with the Labor Commissioner and be awarded back pay, attorneys' fees and court costs.

From: .... (Name of successor employer)

.... (Address of successor employer)

.... (Telephone number of successor employer)"

Each offer of employment shall state the time within which such employee must accept such offer but in no case shall that time be less than ten days from the date of the offer of employment.

[(D) The provisions of subparagraphs (A) and (B) of this subdivision shall not be construed to require a successor employer to retain any employee whose attendance and performance records, while working under the terminated service contract, would lead a reasonably prudent employer to terminate the employee.**]**

[(E)**]** (D) For the purchase or acquisition of property by a successor employer, the provisions of subparagraphs (A) and (B) of this subdivision shall only apply when the services to be performed at the site or sites covered by the contract to sell or transfer property are substantially the same as services previously provided by the terminated contractor's employees.

(5) If at any time a successor employer determines that fewer employees are required to perform (A) the successor service contract, or (B) services at the purchased or acquired property than were required by the terminated contractor, the successor employer shall be required to retain such employees by seniority within each job classification, based upon the employees' total length of service at the affected site or sites.

(6) During such ninety-day period, the successor employer shall maintain a preferential hiring list of employees eligible for retention pursuant to subdivision (4) of this subsection, who were not initially retained by the successor employer, from which the successor contractor

shall hire additional employees, if necessary.

(7) Except as provided under subdivision (5) of this subsection, during such ninety-day period, the successor employer shall not discharge without just cause an employee retained pursuant to this section. For purposes of this subdivision, "just cause" shall be determined solely by the performance or conduct of the particular employee.

(8) After such ninety-day period, the successor employer shall provide each employee retained pursuant to this section a performance evaluation. If the performance of such employee is satisfactory during the ninety-day period, the successor employer shall offer the employee continued employment under the terms and conditions established by the successor employer, or as required by law.

(9) The provisions of this subsection shall not be construed to prevent a terminated contractor from taking disciplinary action against an employee, to the extent permissible by law or such employee's collective bargaining agreement, including, but not limited to, termination, prior to (A) the start of the successor service contract, or (B) the successor employer assuming control of the site or sites covered by the contract to sell or transfer property, if such employee's attendance or performance records, while working under the terminated contract, would lead a reasonably prudent employer to take similar disciplinary action.

Sec. 248. (NEW) (*Effective from passage*) Not later than January 1, 2027, and annually thereafter, the Commissioner of Social Services shall report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and public health regarding the collection of moneys for deposit in the hospital supplemental payment account and the use of funds in such account during the preceding calendar year.

Sec. 249. (*Effective from passage*) (a) There is established a working group to study and provide recommendations for the establishment of a payroll tax program for employees in this state. Such study shall examine, but need not be limited to: (1) Considerations of mandatory or optional participation in such program, such as (A) whether such program should be (i) mandatory for employees and employers, (ii) optional for employees and mandatory for employers, (iii) optional for employers and mandatory for employees, or (iv) optional for employees and employers, (B) the role of union negotiations to determine program participation, and (C) the feasibility of allowing employees who have opted in to such program to opt out of such program; (2) payroll tax rates and tax credits for different wage levels; (3) statutory wage reductions for participation in such program; (4) methods to mitigate lower Social Security benefits that result from participation in such program, such as (A) payment of a state-administered retirement or income benefit for program participants, and (B) retirement account contributions paid by employers on behalf of employees, or paid by employees; (5) methods to mitigate any reductions in employer-provided retirement benefits resulting from lower reported salary, such as adjustments to pension calculations and employer retirement account contributions; (6) any administrative requirements of the Department of Revenue Services in implementing such program; (7) any administrative requirements of employers participating in such program; and (8) assuming mandatory participation of employees and employers, any financial impact that such program may have on state revenue, employee net wages and employer payroll expenses.

(b) The working group shall consist of the following members:

(1) Two appointed by the president pro tempore of the Senate, one of whom shall be a chairperson of the working group, and one of whom shall be a representative of a labor organization;

(2) Two appointed by the speaker of the House of Representatives,

one of whom shall be a chairperson of the working group, and one of whom shall be an executive from a payroll services company doing business in this state;

(3) One appointed by the majority leader of the Senate, who shall be an attorney with experience in legal issues related to pensions in this state;

(4) One appointed by the majority leader of the House of Representatives, who shall be an attorney with experience in tax law in this state;

(5) One appointed by the minority leader of the Senate, who shall be a payroll administrator from an employer in this state that employs more than one hundred employees;

(6) One appointed by the minority leader of the House of Representatives, who shall be a representative from a state-wide business association in this state;

(7) The Commissioner of Revenue Services, or the commissioner's designee;

(8) One representative of the office of the Governor;

(9) The Secretary of the Office of Policy and Management, or the secretary's designee;

(10) The State Treasurer, or the State Treasurer's designee; and

(11) The House and Senate chairpersons of the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding, or their designees.

(c) All initial appointments to the working group shall be made not later than thirty days after the effective date of this section. Any vacancy

shall be filled by the appointing authority.

(d) The chairpersons of the working group shall jointly schedule the first meeting of the working group, which shall be held not later than sixty days after the effective date of this section.

(e) The administrative staff of the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding shall serve as administrative staff of the working group. The Office of Legislative Research shall assist the working group in conducting research related to the development of a payroll tax program, and the Office of Fiscal Analysis shall assist the working group in calculating costs associated with the development and implementation of any such payroll tax program.

(f) Not later than January 1, 2027, the working group shall submit a report on its findings and recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding, in accordance with the provisions of section 11-4a of the general statutes. The working group shall terminate on the date that it submits such report or January 1, 2027, whichever is later.

Sec. 250. (NEW) (*Effective from passage*) There is established an account to be known as the "innocence project revolving loan account", which shall be a separate, nonlapsing account. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Judicial Branch for the purposes of the provision of loans to claimants who may meet the qualifications for compensation pursuant to section 54-102uu of the general statutes.

Sec. 251. (*Effective from passage*) The sum of $400,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Judicial Department, for Legal Aid, for the fiscal year ending June

30, 2026, and the sum of $500,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Judicial Department, for Legal Aid, for the fiscal year ending June 30, 2027, shall be transferred to the innocence project revolving loan account established in section 250 of this act.

Sec. 252. Subdivision (3) of subsection (a) of section 9-369b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(3) (A) (i) For purposes of this **[**subdivision**]** subparagraph, "community notification system" means a communication system maintained by a municipality that is available to all residents of such municipality and permits any resident to opt to receive notifications of community events or news from such municipality via electronic mail, text, telephone or other electronic or automated means.

[(B)**]** (ii) At the direction of the chief elected official of a municipality or, with respect to a referendum called for by a regional school district, the request of the chairperson of the regional school board of education having jurisdiction over such municipality included in such regional school district, a municipality that maintains a community notification system may use such system to send or publish a notice informing all residents enrolled in such system of an upcoming referendum pertaining to such municipality or regional school district, as applicable. Such notice shall be limited to **[**(i)**]** (I) the time and location of such referendum, **[**(ii)**]** (II) a statement of the question as it is to appear on the ballot at the referendum, and **[**(iii)**]** (III) if applicable, the explanatory text or other material approved in accordance with subdivision (1) or (2) of this subsection. Any such notice shall not advocate the approval or disapproval of the proposal or question or attempt to influence or aid the success or defeat of the referendum.

(iii) An Internet web site maintained by a municipality or a regional

school district shall not be deemed a community notification system for the purposes of this subparagraph, but may contain a notice with the information described in subparagraph (A)(ii) of this subdivision.

(B) The superintendent of schools for a school district may disseminate a written notice through the schools within such school district for the purpose of informing the parents or legal guardians of students enrolled in such schools of an upcoming referendum pertaining to such school district. Such written notice shall be limited to (i) the time and location of such referendum, (ii) a statement of the question as it is to appear on the ballot at the referendum, and (iii) if applicable, the explanatory text or other material approved in accordance with subdivision (1) or (2) of this subsection. Any such notice shall not advocate the approval or disapproval of the proposal or question or attempt to influence or aid the success or defeat of the referendum.

(C) Other than a notice authorized by this subdivision, no person may use or authorize the use of municipal funds to send an unsolicited communication to a group of residents regarding a referendum via electronic mail, text, telephone or other electronic or automated means for the purpose of reminding or encouraging such residents to vote in a referendum, provided such prohibition shall not apply to a regularly published newsletter or similar publication.

[(D) An Internet web site maintained by a municipality or a regional school district shall not be deemed a community notification system for the purposes of this subdivision, but may contain a notice with the information described in subparagraph (B) of this subdivision.**]**

Sec. 253. (*Effective from passage*) Section 64 of public act 26-12 shall take effect July 1, 2027.

Sec. 254. (NEW) (*Effective July 1, 2026*) (a) For purposes of this section:

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

(2) "Authority" has the same meaning as provided in section 32-600 of the general statutes.

(3) "Excess net profits" means the remainder of net profits, as defined in subdivision (5) of this subsection, on an annual basis, from the operation of the PeoplesBank Arena in excess of four million dollars.

(4) "Facility management agreement" means the agreement between the authority and a qualified operator, dated August 16, 2024, relating to the management of the PeoplesBank Arena.

(5) "Net profits" has the same meaning as provided in the facility management agreement, as amended from time to time.

(6) "PeoplesBank Arena" means the civic center and coliseum complex in the city of Hartford known as PeoplesBank Arena in Hartford and includes the adjoining parking garage owned by the authority that is located on Church Street in the city of Hartford.

(7) "Qualified operator" means an entity, including any affiliate thereof, that executed the facility management agreement with the authority.

(8) "Qualified agreement" means an agreement between a qualified operator and The University of Connecticut in which the qualified operator agrees to host, and The University of Connecticut commits to participate in, a minimum of twenty UConn athletic events each academic year at the PeoplesBank Arena for a term that commences not later than July 1, 2027, and ends not earlier than September 1, 2045, provided the minimum number of such athletic events may be reduced in any given academic year with the unanimous consent of the qualified operator, The University of Connecticut, the authority and the Secretary

of the Office of Policy and Management.

(9) "UConn athletic events" means University of Connecticut's men's and women's intercollegiate basketball games and men's intercollegiate hockey games.

(b) Notwithstanding any provision of the general statutes, The University of Connecticut may enter into a qualified agreement with a qualified operator, which, in part, allows the qualified operator to claim a credit against the taxes imposed by chapter 219 of the general statutes. A qualified operator may claim a credit in the latter of (1) each of the first five academic years identified in the qualified agreement, or (2) the academic year commencing July 1, 2027, and the four successive academic years. The amount of the credit allowable for each of the first five academic years shall not exceed two million dollars for any academic year and the aggregate amount of the credits allowed under this section shall not exceed ten million dollars. If a qualified operator is eligible to claim a credit for an academic year under this section, such qualified operator shall claim the credit on its tax return due under section 12-414 of the general statutes, for the monthly period ending July thirty-first during such academic year.

(c) (1) Any qualified agreement shall include a provision that requires a qualified operator to repay a prorated portion of any credit that such operator claimed under this section if such qualified operator fails to host twenty or more UConn athletic events at the PeoplesBank Arena during any academic year, due to a breach of the qualified agreement by such qualified operator. Any amount of any such credit that a qualified operator is required to repay shall be reported by such qualified operator on the tax return due under chapter 219 of the general statutes for the first monthly period ending after the issuance of a repayment voucher by the authority in accordance with the provisions of subsection (f) of this section. Such repayment shall constitute a final tax due to the state, subject to collection in accordance with the

provisions of section 12-35 of the general statutes. A qualified agreement shall include a provision that requires any repayment attributable to future academic years to be accelerated to the current academic year, proportionate to the number of missed UConn athletic events of the twenty required UConn athletic events for an academic year, if, and when, the authority determines that the qualified operator is in breach of the qualified agreement and is unable or unwilling to host the minimum number of UConn athletic events in such future academic years.

(2) A qualified agreement shall provide for the division of net profit or loss between the qualified operator and The University of Connecticut on an annual basis as follows: (A) The qualified operator shall be responsible for any net loss from the operation of the PeoplesBank Arena; and (B) The University of Connecticut shall be entitled to the share of net profit attributable to the first four million dollars of net profit, and any excess net profits, from the operation of the PeoplesBank Arena, in accordance with the schedule prescribed in subdivision (3) of this subsection.

(3) A qualified agreement shall require a qualified operator to pay to The University of Connecticut the following percentages of net profit attributable to the first four million dollars of net profit, and to pay any excess net profits, from the operation of the PeoplesBank Arena:

(A) For the first academic year in which the qualified operator is eligible to claim a credit under this section, ten per cent of the first four million dollars of net profit and five per cent of any excess net profits;

(B) For the second academic year in which the qualified operator is eligible to claim a credit under this section, twenty per cent of the first four million dollars of net profit and ten per cent of any excess net profits;

(C) For the third academic year in which the qualified operator is eligible to claim a credit under this section, thirty per cent of the first four million dollars of net profit and fifteen per cent of any excess net profits;

(D) For the fourth academic year in which the qualified operator is eligible to claim a credit under this section, forty per cent of the first four million dollars of net profit and twenty per cent of any excess net profits;

(E) For the fifth academic year in which the qualified operator is eligible to claim a credit under this section, fifty per cent of the first four million dollars of net profit and twenty-five per cent of any excess net profits;

(F) For each academic year thereafter for the term of the qualified agreement, fifty per cent of the first four million dollars of net profit and twenty-five per cent of any excess net profits;

(G) Provided that for academic years one to five, inclusive, of the qualified agreement, if the qualified operator fails to receive the applicable credit on or before the first day of the academic year, the amount of net profit subject to the foregoing percentages shall be prorated to reflect the portion of such academic year occurring on and after the qualified operator's receipt of such credit; and

(H) Provided that for academic years six and thereafter for the term of the qualified agreement, the amount of net profit subject to the foregoing percentages shall be prorated only in the event the qualified operator has failed to receive ten million dollars in aggregate credits.

(d) Any qualified agreement shall be executed not later than December 31, 2026, except that any amendment to such qualified agreement may be executed after December 31, 2026, provided any such qualified agreement or amendment thereto shall be subject to prior approval by the Secretary of the Office of Policy and Management and

the authority.

(e) If the amount of the credit allowed pursuant to this section exceeds a qualified operator's liability for the tax imposed under chapter 219 of the general statutes, the Commissioner of Revenue Services shall treat such excess as an overpayment and shall refund the amount of such excess, without interest, to such qualified operator. The credit allowed under this section shall be claimed after all other credits have been claimed.

(f) The Commissioner of Revenue Services may require confirmation, or other documentation, from the authority, confirming the qualified operator's eligibility for a tax credit claimed pursuant to subsection (b) of this section. If a qualified operator is required to repay any portion of a tax credit claimed pursuant to subsection (b) of this section, the authority shall issue a repayment voucher to such qualified operator not later than thirty days after the end of the academic year in which such repayment obligation arises. The authority shall provide a copy of any such repayment voucher to the Commissioner of Revenue Services and the Secretary of the Office of Policy and Management, and any other information requested by said commissioner or secretary.

Sec. 255. Section 32-616b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) Notwithstanding any provision of the general statutes, the authority may enter into one or more agreements for a project to renovate and reconstruct the XL Center. Any such agreement shall be entered into not later than December 31, 2025, except amendments thereto may be entered into after said date. Any such agreement or amendment shall be subject to the approval of the Secretary of the Office of Policy and Management.

(b) Any such agreement shall provide that the authority, the state, or

a combination thereof, shall contribute not more than one hundred twenty-five million dollars and the contractor shall contribute not less than twenty million dollars toward the costs of any renovation or reconstruction of the XL Center occurring after January 1, 2023. The value of any credit claimed in accordance with section 254 of this act shall not be applied toward such contribution amounts of the authority, the state or the contractor.

Sec. 256. Subsection (a) of section 4-30a of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) (1) (A) For the fiscal years commencing on or after July 1, 2017, and ending on or before June 30, 2024, all revenue in excess of three billion one hundred fifty million dollars received by the state each fiscal year from estimated and final payments of the personal income tax imposed under chapter 229 and the affected business entity tax imposed under section 12-699 shall be transferred by the Treasurer to a special fund to be known as the Budget Reserve Fund. On and after July 1, 2018, the threshold amount shall be adjusted annually by the compound annual growth rate of personal income in the state over the preceding five calendar years, using data reported by the United States Bureau of Economic Analysis.

(B) For the fiscal year ending June 30, 2025, the threshold amount prescribed by subparagraph (A) of this subdivision shall be four billion seventy-nine million three hundred thousand dollars.

(C) For the fiscal year ending June 30, 2026, the threshold amount prescribed by subparagraph (A) of this subdivision shall be **[**four billion seven hundred twenty-eight million six hundred thousand**]** five billion five hundred forty-two million three hundred thousand dollars.

(D) For the fiscal year ending June 30, 2027, the threshold amount

prescribed by subparagraph (A) of this subdivision shall be five billion two million five hundred thousand dollars. On and after July 1, **[**2026**]** 2027, the threshold amount shall be adjusted annually by the compound annual growth rate of personal income in the state over the preceding five calendar years, using data reported by the United States Bureau of Economic Analysis.

(2) The General Assembly may amend the threshold amount determined under subdivision (1) of this subsection, by vote of at least three-fifths of the members of each house of the General Assembly, due to changes in state or federal tax law or policy or significant adjustments to economic growth or tax collections.

Sec. 257. Section 42 of public act 25-168 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

Not later than June 30, 2026, the Comptroller shall transfer **[**two hundred forty-four**]** one hundred fourteen million dollars of the resources of the General Fund for the fiscal year ending June 30, 2026, to be accounted for as revenue of the General Fund for the fiscal year ending June 30, 2027.

Sec. 258. (*Effective from passage*) Not later than June 30, 2026, the Comptroller shall transfer two hundred thirty-three million seven hundred thousand dollars of the resources of the General Fund for the fiscal year ending June 30, 2026, to be accounted for as revenue of the General Fund for the fiscal year ending June 30, 2027.

Sec. 259. (*Effective from passage*) Not later than June 30, 2026, the Comptroller shall transfer fifty million dollars of the resources of the General Fund for the fiscal year ending June 30, 2026, to the Federal Cuts Response Fund established pursuant to section 1 of special act 26-1.

Sec. 260. Section 43 of public act 25-168 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The following amounts shall be transferred from the resources of the General Fund to the Municipal Revenue Sharing Fund: (1) For the fiscal year ending June 30, 2026, **[**one hundred one million**]** eighty-seven million nine hundred thousand dollars, and (2) for the fiscal year ending June 30, 2027, **[**ninety**]** seventy-five million dollars.

Sec. 261. (NEW) (*Effective from passage*) Notwithstanding the provisions of section 12-494 of the general statutes, for the fiscal years ending June 30, 2026, and June 30, 2027, the Comptroller shall not make the revenue transfer described in subsection (d) of section 12-494 of the general statutes.

Sec. 262. Section 12-407e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) **[**(1) From the third Sunday in August until the Saturday next succeeding, inclusive, during the period beginning July 1, 2004, and ending June 30, 2015, the provisions of this chapter shall not apply to sales of any article of clothing or footwear intended to be worn on or about the human body the cost of which article to the purchaser is less than three hundred dollars.

(2) On and after July 1, 2015, from**]** From the third Sunday in August until the Saturday next succeeding, inclusive, the provisions of this chapter shall not apply to sales of any article of clothing or footwear, including cleated shoes, intended to be worn on or about the human body or to any backpack, the cost of which article or backpack to the purchaser is less than **[**one**]** three hundred dollars.

(b) For the purposes of this section, clothing or footwear shall not include (1) any special clothing or footwear primarily designed for athletic activity or protective use and which is not normally worn except when used for the athletic activity or protective use for which it was designed, and (2) jewelry, handbags, luggage other than backpacks,

umbrellas, wallets, watches and similar items carried on or about the human body but not worn on the body in the manner characteristic of clothing intended for exemption under this section.

Sec. 263. (NEW) (*Effective from passage and applicable to income and taxable years commencing on or after January 1, 2026*) (a) As used in this section:

(1) "Commissioner" means the Commissioner of Revenue Services;

(2) "Department" means the Department of Revenue Services;

(3) "Income year" means the income year or taxable year, as determined under chapter 207, 208 or 229 of the general statutes, as the case may be;

(4) "Qualified small business" means an employer in the state that (A) is subject to tax under chapter 207, 208 or 229 of the general statutes, (B) employs fewer than fifty employees in the state on the date of its application under subsection (c) of this section, and (C) has adopted an individual coverage health reimbursement arrangement, as described in Section 9831(d) of the Internal Revenue Code, in lieu of a traditional employer-provided health insurance plan;

(5) "Qualified contribution" means a contribution by a qualified small business toward a covered employee's individual coverage health reimbursement arrangement during the income year; and

(6) "Covered employee" means an employee for whom the qualified small employer made a qualified contribution toward an individual coverage health reimbursement arrangement during the income year.

(b) (1) There is established an individual coverage health reimbursement arrangement tax credit for qualified small businesses whereby a qualified small business may be allowed a tax credit against

the taxes imposed under chapter 207, 208 or 229 of the general statutes, other than the liability imposed by section 12-707 of the general statutes.

(2) The amount of the credit allowed for an income year shall be equal to the lesser of: (A) The sum of qualified contributions made by the qualified small business during the income year, or (B) one thousand dollars per covered employee. Any tax credit not used in the income year during which it was earned shall expire and shall not be refundable.

(3) A credit under this section may be allowed to a qualified small business for the first income year during which the business offered an individual coverage health reimbursement arrangement and the immediately succeeding income year. No credit shall be allowed for any other income year.

(c) (1) Any qualified small business planning to claim a credit under the provisions of this section shall apply to the commissioner, in such form and manner prescribed by the commissioner, to reserve an allocation for a credit based upon the qualified contributions the business intends to make. Such application shall indicate the amount of qualified contributions that the business intends to make in the first income year during which it offers an individual coverage health reimbursement arrangement and the immediately succeeding income year. The application shall contain such information as the commissioner deems necessary to administer the provisions of this section.

(2) The commissioner shall approve applications for the reservation of a credit on a first-come, first-served basis and shall notify the qualified small business in writing not later than thirty days after the date of receipt of an application of the commissioner's approval or rejection of the application. If the commissioner approves the application of the qualified small business, the commissioner shall issue

a certification letter indicating the amount of the tax credit that has been reserved for such business during each of the two income years for which it is eligible to claim the credit. A qualified small business may not claim a credit under this section in excess of the amount reserved by the commissioner.

(3) The total amount of tax credits reserved under this section shall not exceed five million dollars for any income year.

(d) If the qualified small business is an S corporation or an entity treated as a partnership for federal income tax purposes, the tax credit may be claimed by the shareholders or partners of the qualified small business. If the qualified small business is a single member limited liability company that is disregarded as an entity separate from its owner, the tax credit may be claimed by the limited liability company's owner.

Sec. 264. Section 12-330*ll* of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026, and applicable to sales occurring on or after October 1, 2026*):

(a) As used in this section and sections 12-330mm and 12-330nn:

(1) "Cannabis" has the same meaning as provided in section 21a-420;

[(2) "Cannabis concentrate" has the same meaning as provided in section 21a-420;

(3) "Cannabis edible product" means a product containing cannabis or cannabis concentrate, combined with other ingredients, that is intended for use or consumption through ingestion, including sublingual or oral absorption;

(4) "Cannabis plant material" has the same meaning as provided in

section 21a-279a;**]**

[(5)**]** (2) "Cannabis retailer" means "retailer", as defined in section 21a-420;

[(6)**]** (3) "Consumer" has the same meaning as provided in section 21a-420;

[(7)**]** (4) "Cultivator" has the same meaning as provided in section 21a-420;

[(8)**]** (5) "Delivery service" has the same meaning as provided in section 21a-420;

[(9)**]** (6) "Dispensary facility" has the same meaning as provided in section 21a-420;

[(10)**]** (7) "Food and beverage manufacturer" has the same meaning as provided in section 21a-420;

[(11)**]** (8) "Hybrid retailer" has the same meaning as provided in section 21a-420;

[(12)**]** (9) "Micro-cultivator" has the same meaning as provided in section 21a-420;

[(13)**]** (10) "Municipality" has the same meaning as provided in section 21a-420;

[(14)**]** (11) "Palliative use" has the same meaning as provided in section 21a-408;

[(15)**]** (12) "Producer" has the same meaning as provided in section 21a-420;

[(16)**]** (13) "Product manufacturer" has the same meaning as provided in section 21a-420;

[(17)**]** (14) "Product packager" has the same meaning as provided in section 21a-420; and

[(18) "Social Equity Council" has the same meaning as provided in section 21a-420;

(19) "Total THC" has the same meaning as provided in section 21a-240; and**]**

[(20)**]** (15) "Transporter" has the same meaning as provided in section 21a-420.

(b) (1) For the privilege of making any sales of cannabis in this state, a tax is hereby imposed on each cannabis retailer, hybrid retailer or micro-cultivator at the **[**following rates:**]** rate of ten and seventy-five-hundredths per cent of the gross receipts from the sale of cannabis.

[(A) Cannabis plant material, at the rate of six hundred twenty-five-thousandths of one cent per milligram of total THC, as reflected on the product label;

(B) Cannabis edible products, at the rate of two and seventy-five-hundredths cents per milligram of total THC, as reflected on the product label; and

(C) Cannabis, other than cannabis plant material or cannabis edible products, at the rate of nine-tenths of one cent per milligram of total THC, as reflected on the product label.**]**

(2) The tax under this section:

(A) Shall be collected from the consumer, except as provided under subparagraphs (B) and (D) of this subdivision, by the cannabis retailer, hybrid retailer or micro-cultivator at the time of sale and such tax reimbursement, termed "tax" in this section, shall be paid by the consumer to the cannabis retailer, hybrid retailer or micro-cultivator.

Each cannabis retailer, hybrid retailer or micro-cultivator shall collect from the consumer the full amount of the tax imposed by this section or an amount equal to the average equivalent thereof to the nearest amount practicable. Such tax shall be a debt from the consumer to the cannabis retailer, hybrid retailer or micro-cultivator, when so added to the original sales price, and shall be recoverable at law in the same manner as other debts except as provided in section 12-432a; **[**.**]**

(B) Shall not apply to the sale of cannabis for palliative use;

(C) Shall not apply to the transfer of cannabis to a transporter for transport to any other cultivator, micro-cultivator, food and beverage manufacturer, product manufacturer, product packager, dispensary facility, cannabis retailer, hybrid retailer or producer;

(D) Shall not apply to the sale of cannabis by a delivery service to a consumer;

(E) Shall be in addition to the taxes imposed under section 12-330mm and chapter 219; and

(F) When so collected, shall be deemed to be a special fund in trust for the state until remitted to the state.

(c) On or before the last day of each month in which a cannabis retailer, hybrid retailer or micro-cultivator may legally sell cannabis other than cannabis for palliative use, each such cannabis retailer, hybrid retailer or micro-cultivator shall file a return with the Department of Revenue Services. Such return shall be in such form and contain such information as the Commissioner of Revenue Services prescribes as necessary for administration of the tax under this section and shall be accompanied by a payment of the amount of the tax shown to be due thereon. Each cannabis retailer, hybrid retailer and micro-cultivator shall file such return electronically with the department and make such payment by electronic funds transfer in the manner provided

by chapter 228g, to the extent possible.

(d) If any cannabis retailer, hybrid retailer or micro-cultivator fails to pay the amount of tax reported due on its return within the time specified under this section, there shall be imposed a penalty equal to twenty-five per cent of such amount due and unpaid, or two hundred fifty dollars, whichever is greater. Such amount shall bear interest at the rate of one per cent per month or fraction thereof, from the due date of such tax until the date of payment. Subject to the provisions of section 12-3a, the commissioner may waive all or part of the penalties provided under this section when it is proven to the commissioner's satisfaction that the failure to pay any tax was due to reasonable cause and was not intentional or due to neglect. Any penalty that is waived shall be applied as a credit against tax liabilities owed by the cannabis retailer, hybrid retailer or micro-cultivator.

(e) Each person, other than a cannabis retailer, hybrid retailer or micro-cultivator, who is required, on behalf of such cannabis retailer, hybrid retailer or micro-cultivator, to collect, truthfully account for and pay over a tax imposed on such cannabis retailer, hybrid retailer or micro-cultivator under this section and who wilfully fails to collect, truthfully account for and pay over such tax or who wilfully attempts in any manner to evade or defeat the tax or the payment thereof, shall, in addition to other penalties provided by law, be liable for a penalty equal to the total amount of the tax evaded, or not collected, or not accounted for and paid over, including any penalty or interest attributable to such wilful failure to collect or truthfully account for and pay over such tax or such wilful attempt to evade or defeat such tax, provided such penalty shall only be imposed against such person in the event that such tax, penalty or interest cannot otherwise be collected from such cannabis retailer, hybrid retailer or micro-cultivator. The amount of such penalty with respect to which a person may be personally liable under this section shall be collected in accordance with the provisions of section

12-555a and any amount so collected shall be allowed as a credit against the amount of such tax, penalty or interest due and owing from the cannabis retailer, hybrid retailer or micro-cultivator. The dissolution of the cannabis retailer, hybrid retailer or micro-cultivator shall not discharge any person in relation to any personal liability under this section for wilful failure to collect or truthfully account for and pay over such tax or for a wilful attempt to evade or defeat such tax prior to dissolution, except as otherwise provided in this section. For purposes of this section, "person" includes any individual, corporation, limited liability company or partnership and any officer or employee of any corporation, including a dissolved corporation, and a member of or employee of any partnership or limited liability company who, as such officer, employee or member, is under a duty to file a tax return under this section on behalf of a cannabis retailer, hybrid retailer or micro-cultivator or to collect or truthfully account for and pay over a tax imposed under this section on behalf of such cannabis retailer, hybrid retailer or micro-cultivator.

(f) The provisions of sections 12-548, 12-551 to 12-554, inclusive, and 12-555a shall apply to the provisions of this section in the same manner and with the same force and effect as if the language of said sections had been incorporated in full into this section and had expressly referred to the tax under this section, except to the extent that any provision is inconsistent with a provision in this section.

(g) The commissioner shall not issue a refund of any tax paid by a cannabis retailer, hybrid retailer or micro-cultivator under this section.

(h) The commissioner may adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section and sections 12-330mm and 12-330nn. Notwithstanding the provisions of sections 4-168 to 4-172, inclusive, prior to adopting any such regulations, the commissioner shall issue policies and procedures, which shall have the force and effect of law, to implement the **[**taxes**]** tax imposed under

this section and sections 12-330mm and 12-330nn. At least fifteen days prior to the effective date of any policy or procedure issued pursuant to this subsection, the commissioner shall post such policy or procedure on the department's Internet web site and submit such policy or procedure to the Secretary of the State for posting on the eRegulations System. Any such policy or procedure shall no longer be effective upon the adoption of such policy or procedure as a final regulation in accordance with the provisions of chapter 54 or forty-eight months of July 1, 2021, whichever is earlier.

(i) The tax received by the state under this section shall be deposited as follows:

(1) For the fiscal years ending June 30, 2022, and June 30, 2023, in the cannabis regulatory and investment account established under section 21a-420f of the general statutes, revision of 1958, revised to January 1, 2025;

(2) For the fiscal years ending June 30, 2024, and June 30, 2025, sixty per cent of such tax received in the Cannabis Social Equity and Innovation Fund established under section 21a-420f of the general statutes, revision of 1958, revised to January 1, 2025, twenty-five per cent of such tax received in the Cannabis Prevention and Recovery Services Fund established under section 21a-420f of the general statutes, revision of 1958, revised to January 1, 2025, and fifteen per cent in the General Fund;

(3) For the fiscal year ending June 30, 2026, sixty per cent of such tax received in the social equity and innovation account established under section 21a-420f, twenty-five per cent of such tax received in the Cannabis Prevention and Recovery Services Fund established under section 21a-420f and fifteen per cent in the General Fund;

(4) For the fiscal years ending June 30, 2027, and June 30, 2028, **[**sixty-

five**]** seventy per cent of such tax received in the social equity and innovation account established under section 21a-420f, twenty-five per cent of such tax received in the Cannabis Prevention and Recovery Services Fund established under section 21a-420f and **[**ten**]** five per cent in the General Fund; and

(5) For the fiscal year ending June 30, 2029, and each fiscal year thereafter, seventy-five per cent of such tax received in the social equity and innovation account established under section 21a-420f and twenty-five per cent of such tax received in the Cannabis Prevention and Recovery Services Fund established under section 21a-420f.

Sec. 265. Subsection (b) of section 12-217 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) (1) For purposes of determining net income under this section, the deduction allowed for depreciation shall be determined as provided under the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, provided in making such determination, the provisions of Section 168(k) of said code and, for income years commencing on or after January 1, 2026, the provisions of Section 168(n) of said code, shall not apply.

(2) (A) For purposes of determining net income under this section for taxable years ending after December 31, 2008, and to the extent any income from the discharge of indebtedness, under Section 108 of the Internal Revenue Code, as amended by Section 1231 of the American Recovery and Reinvestment Act of 2009, in connection with any reacquisition, after December 31, 2008, and **[**before**]** prior to January 1, 2011, of an applicable debt instrument or instruments, as those terms are defined in said Section 108, as amended by said Section 1231, is not properly includable in gross income for federal income tax purposes for

the taxable year, any deferral of the recognition of any such income shall not be allowed.

(B) To the extent that any income from the discharge of indebtedness in connection with any reacquisition, after December 31, 2008, and **[**before**]** prior to January 1, 2011, of an applicable debt instrument or instruments, as those terms are defined in Section 108 of the Internal Revenue Code, as amended by Section 1231 of the American Recovery and Reinvestment Act of 2009, is properly includable in gross income for federal income tax purposes for the taxable year, any such income shall be deductible in computing net income under this section for a taxable year ending after December 31, 2008, to the extent that the deferral of recognition of such income from such discharge was not allowed pursuant to subparagraph (A) of this subdivision in computing net income for a preceding taxable year.

(C) For income years commencing on or after January 1, 2018, eighty per cent of any deduction claimed under Section 179 of the Internal Revenue Code for federal income tax purposes shall be disallowed. To the extent such a deduction is disallowed for purposes of computing the tax under this chapter, twenty-five per cent of the disallowed portion of the deduction shall be allowed as a deduction in each of the four succeeding income years.

(D) For purposes of determining net income under this section:

(i) For income years commencing on or after January 1, 2022, the deduction under Section 70302(f) of P.L. 119-21 is disallowed;

(ii) For income years commencing on or after January 1, 2025, and prior to January 1, 2026, the deduction under Section 174A of the Internal Revenue Code is disallowed; and

(iii) For income years commencing on or after January 1, 2022, and prior to January 1, 2026, any research or experimental expenditures paid

or incurred for said income years shall be deducted as permitted under Section 174 of the Internal Revenue Code, as in effect on July 3, 2025.

Sec. 266. (*Effective from passage*) (a) The provisions of section 12-242d of the general statutes shall not apply to any additional tax due as a result of (1) the changes made to subdivision (1) of subsection (b) of section 12-217 of the general statutes pursuant to section 265 of this act, for income years commencing on or after January 1, 2026, but prior to the effective date of section 265 of this act, or (2) the enactment of subparagraph (D) of subdivision (2) of subsection (b) of section 12-217 of the general statutes pursuant to section 265 of this act, for income years commencing on or after January 1, 2022, but prior to January 1, 2026.

(b) Notwithstanding the provisions of sections 12-3a and 12-229 of the general statutes, the Commissioner of Revenue Services shall waive any penalty or interest imposed on the portion of any underpayment for an income year commencing on or after January 1, 2022, but prior to January 1, 2026, that results from any additional tax due as a result of the enactment of subparagraph (D) of subdivision (2) of subsection (b) of section 12-217 of the general statutes pursuant to section 265 of this act. The waiver under this subsection shall not apply to such additional tax that remains underpaid after the later of (1) November 15, 2026, or (2) the due date, without regard to any extension of time to file, of the return on which such additional tax is reported. Taxpayers shall submit information, in a form and manner prescribed by the commissioner, that evidences their eligibility for a waiver under this subsection.

Sec. 267. (NEW) (*Effective from passage and applicable to taxable years commencing on or after January 1, 2026*) (a) For purposes of this section:

(1) "Research and development expenses" means research or experimental expenditures deductible under Section 174 of the Internal Revenue Code of 1986, as in effect on May 28, 1993, determined without

regard to Section 280C(c) of said code or to any elections made by a taxpayer to amortize such expenditures that were otherwise deductible on its federal income tax return; and basic research payments, as defined in Section 41 of said code; that (A) are paid or incurred for such research and experimentation and basic research conducted in the state, and (B) are not funded by a grant, contract or governmental entity or a person other than the taxpayer;

(2) "Commissioner" means the Commissioner of Economic and Community Development;

(3) "Qualified small business" means a partnership or an S corporation, as both terms are defined in section 12-699 of the general statutes, that (A) has gross income for the previous taxable year that does not exceed seventy million dollars, and (B) has not, in the determination of the commissioner, exceeded such gross income threshold through transactions with a related person, as defined in section 12-217w of the general statutes; and

(4) "Biotechnology business" means a qualified small business engaged in the business of applying technologies, such as recombinant DNA techniques, biochemistry, molecular and cellular biology, genetics and genetic engineering, biological cell fusion techniques, and new bioprocesses, using living organisms, or parts of organisms, to produce or modify products, to improve plants or animals, to develop microorganisms for specific uses, to identify targets for small molecule pharmaceutical development, or to transform biological systems into useful processes and products.

(b) (1) The Department of Economic and Community Development shall administer a system of tax credit vouchers, within available appropriations, to allow qualified small businesses to earn and utilize credits for research and development expenses.

(2) For taxable years commencing on or after January 1, 2026, there shall be allowed a credit for qualified small businesses against the tax imposed under chapter 229 of the general statutes, other than the liability imposed by section 12-707 of the general statutes. Such credit shall be equal to six per cent of the research and development expenses paid or incurred by a qualified small business for a taxable year and shall only be allowed to the extent a qualified small business has applied for and received a tax credit voucher pursuant to this section.

(c) (1) Any qualified small business may apply to the commissioner, in a form and manner and at a time prescribed by the commissioner, to reserve an allocation for a credit based on the amount of research and development expenses such business intends to pay or incur for a taxable year. The application shall contain such information as the commissioner deems necessary to administer the provisions of this section.

(2) If the commissioner determines that such business is likely to pay or incur research and development expenses for a taxable year, the commissioner may issue a notice to such business, reserving a credit under this section based on the amount the business intends to pay or incur. In determining whether to issue such a notice, the commissioner shall prioritize qualified small businesses that, in the commissioner's opinion, exhibit a likelihood for growth in the state or will best contribute to the economic ecosystem of the state.

(3) No qualified small business may reserve more than one million five hundred thousand dollars of credits under this section for any taxable year. The aggregate amount of credits that may be reserved under this section shall not exceed twenty-five million dollars for any taxable year.

(d) (1) Not later than ninety days after the end of a taxable year, any qualified small business that received a notice under subsection (c) of

this section shall submit verification, in a form and manner prescribed by the commissioner, of the research and development expenses actually paid or incurred by such business for such taxable year. If the commissioner determines, after reviewing such verification, that the qualified small business paid or incurred such expenses for the taxable year, the commissioner shall issue a tax credit voucher to such business in an amount equal to six per cent of such expenses, provided such amount shall not exceed the amount reserved for such business under subsection (c) of this section.

(2) The commissioner shall notify the Commissioner of Revenue Services and the Secretary of the Office of Policy and Management of each tax credit voucher issued under subdivision (1) of this subsection.

(e) If the qualified small business is an S corporation or an entity treated as a partnership for federal income tax purposes, the credit may be claimed by the shareholders or partners of such business. If the qualified small business is a single member liability company that is disregarded as an entity separate from its owner, the credit may be claimed by such business's owner, provided such owner is subject to the tax imposed under chapter 229 of the general statutes.

(f) To the extent the credit exceeds a taxpayer's liability under chapter 229 of the general statutes, the taxpayer may apply to the Commissioner of Revenue Services to exchange the credit, at the same time the taxpayer files the return upon which such credit is claimed, for a credit refund equal to ninety per cent of the excess if the credit was earned by a biotechnology business and sixty-five per cent of the excess if the credit was earned by a qualified small business other than a biotechnology business.

(g) The credit allowed under this section shall be claimed before any other credit allowable against the tax imposed under chapter 229 of the general statutes.

(h) The commissioner may adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to carry out the provisions of this section.

Sec. 268. Section 12-217jj of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section:

(1) "Commissioner" means the Commissioner of Revenue Services.

(2) "Department" means the Department of Economic and Community Development.

(3) (A) "Qualified production" means entertainment content created in whole or in part within the state, including motion pictures, except as otherwise provided in this subparagraph; documentaries; long-form, specials, mini-series, series, sound recordings, videos and music videos and interstitials television programming; interactive television; relocated television production; interactive games; videogames; commercials; any format of digital media, including an interactive web site, created for distribution or exhibition to the general public; and any trailer, pilot, video teaser or demo created primarily to stimulate the sale, marketing, promotion or exploitation of future investment in either a product or a qualified production via any means and media in any digital media format, film or videotape, provided such program meets all the underlying criteria of a qualified production. For state fiscal years ending on or after June 30, 2014, "qualified production" shall not include a motion picture that has not been designated as a state-certified qualified production prior to July 1, 2013, and no tax credit voucher for such motion picture may be issued for such motion picture, except, for state fiscal years ending on or after June 30, 2015, "qualified production" shall include a motion picture for which twenty-five per cent or more of

the principal photography shooting days are in this state at a facility that receives not less than twenty-five million dollars in private investment and opens for business on or after July 1, 2013, and a tax credit voucher may be issued for such motion picture.

(B) "Qualified production" shall not include any ongoing television program created primarily as news, weather or financial market reports; a production featuring current events, other than a relocated television production, sporting events, an awards show or other gala event; a production whose sole purpose is fundraising; a long-form production that primarily markets a product or service; a production used for corporate training or in-house corporate advertising or other similar productions; or any production for which records are required to be maintained under 18 USC 2257, as amended from time to time, with respect to sexually explicit content.

(4) "Eligible production company" means a corporation, partnership, limited liability company, or other business entity engaged in the business of producing qualified productions on a one-time or ongoing basis, and qualified by the Secretary of the State to engage in business in the state.

(5) "Production expenses or costs" means all expenditures clearly and demonstrably incurred in the state in the preproduction, production or postproduction costs of a qualified production, including:

(A) Expenditures incurred in the state in the form of either compensation or purchases including production work, production equipment not eligible for the infrastructure tax credit provided in section 12-217kk, production software, postproduction work, postproduction equipment, postproduction software, set design, set construction, props, lighting, wardrobe, makeup, makeup accessories, special effects, visual effects, audio effects, film processing, music, sound mixing, editing, location fees, soundstages and any and all other

costs or services directly incurred in connection with a state-certified qualified production;

(B) Expenditures for distribution, including preproduction, production or postproduction costs relating to the creation of trailers, marketing videos, commercials, point-of-purchase videos and any and all content created on film or digital media, including the duplication of films, videos, CDs, DVDs and any and all digital files now in existence and those yet to be created for mass consumer consumption; the purchase, by a company in the state, of any and all equipment relating to the duplication or mass market distribution of any content created or produced in the state by any digital media format which is now in use and those formats yet to be created for mass consumer consumption; and

(C) "Production expenses or costs" does not include the following: (i) On and after January 1, 2008, compensation in excess of fifteen million dollars paid to any individual or entity representing an individual, for services provided in the production of a qualified production and on or after January 1, 2010, compensation subject to Connecticut personal income tax in excess of twenty million dollars paid in the aggregate to any individuals or entities representing individuals, for star talent provided in the production of a qualified production; (ii) media buys, promotional events or gifts or public relations associated with the promotion or marketing of any qualified production; (iii) deferred, leveraged or profit participation costs relating to any and all personnel associated with any and all aspects of the production, including, but not limited to, producer fees, director fees, talent fees and writer fees; (iv) costs relating to the transfer of the production tax credits; (v) any amounts paid to persons or businesses as a result of their participation in profits from the exploitation of the qualified production; and (vi) any expenses or costs relating to an independent certification, as required by subsection (h) of this section, or as the department may otherwise

require, pertaining to the amount of production expenses or costs set forth by an eligible production company in its application for a production tax credit.

(6) "Sound recording" means a recording of music, poetry or spoken-word performance, but does not include the audio portions of dialogue or words spoken and recorded as part of a motion picture, video, theatrical production, television news coverage or athletic event.

(7) "State-certified qualified production" means a qualified production produced by an eligible production company that (A) is in compliance with regulations adopted pursuant to subsection (l) of this section, (B) is authorized to conduct business in this state, and (C) has been approved by the department as qualifying for a production tax credit under this section.

(8) "Interactive web site" means a web site, the production expenses or costs of which (A) exceed five hundred thousand dollars per income year, and (B) is primarily (i) interactive games or end user applications, or (ii) animation, simulation, sound, graphics, story lines or video created or repurposed for distribution over the Internet. An interactive web site does not include a web site primarily used for institutional, private, industrial, retail or wholesale marketing or promotional purposes, or which contains obscene content.

(9) "Post-certification remedy" means the recapture, disallowance, recovery, reduction, repayment, forfeiture, decertification or any other remedy that would have the effect of reducing or otherwise limiting the use of a tax credit provided by this section.

(10) "Compensation" means base salary or wages and does not include bonus pay, stock options, restricted stock units or similar arrangements.

(11) "Relocated television production" means:

(A) An ongoing television program all of the prior seasons of which were filmed outside this state, and may include current events shows, except those referenced in subparagraph (B)(i) of this subdivision.

(B) An eligible production company's television programming in this state that (i) is not a general news program, sporting event or game broadcast, and (ii) is created at a qualified production facility that has had a minimum investment of twenty-five million dollars made by such eligible production company on or after January 1, 2012, at which facility the eligible production company creates ongoing television programming as defined in subparagraph (A) of this subdivision, and creates at least two hundred new jobs in Connecticut on or after January 1, 2012. For purposes of this subdivision, "new job" means a full-time job, as defined in section 12-217ii, that did not exist in this state prior to January 1, 2012, and is filled by a new employee, and "new employee" includes a person who was employed outside this state by the eligible production company prior to January 1, 2012, but does not include a person who was employed in this state by the eligible production company or a related person, as defined in section 12-217ii, with respect to the eligible production company during the prior twelve months.

(C) A relocated television production may be a state-certified qualified production for not more than ten successive income years, after which period the eligible production company shall be ineligible to resubmit an application for certification.

(b) (1) The Department of Economic and Community Development shall administer a system of tax credit vouchers within the resources, requirements and purposes of this section for eligible production companies producing a state-certified qualified production in the state.

(2) Any eligible production company incurring production expenses or costs shall be eligible for a credit (A) for income years commencing on or after January 1, 2010, but prior to January 1, 2018, against the tax

imposed under chapter 207 or this chapter, (B) for income years commencing on or after January 1, 2018, but prior to January 1, 2022, against the tax imposed under chapter 207 or 211 or this chapter, and (C) for income years commencing on or after January 1, 2022, against the tax imposed under chapter 207, 211, 219 or this chapter, as follows: (i) For any such company incurring such expenses or costs of not less than one hundred thousand dollars, but not more than five hundred thousand dollars, a credit equal to ten per cent of such expenses or costs, (ii) for any such company incurring such expenses or costs of more than five hundred thousand dollars, but not more than one million dollars, a credit equal to fifteen per cent of such expenses or costs, and (iii) for any such company incurring such expenses or costs of more than one million dollars, a credit equal to thirty per cent of such expenses or costs.

(c) No eligible production company incurring an amount of production expenses or costs that qualifies for such credit shall be eligible for such credit unless on or after January 1, 2010, such company conducts (1) not less than fifty per cent of principal photography days within the state, or (2) expends not less than fifty per cent of postproduction costs within the state, or (3) expends not less than one million dollars of postproduction costs within the state. The provisions of this subsection shall not apply to an eligible production company that produces an interactive Internet web site created for distribution or exhibition to the general public.

(d) For income years commencing on or after January 1, 2010, no expenses or costs incurred outside the state and used within the state shall be eligible for a credit, and one hundred per cent of such expenses or costs shall be counted toward such credit when incurred within the state and used within the state.

(e) (1) On and after July 1, 2006, and for income years commencing on or after January 1, 2006, any credit allowed pursuant to this section may be sold, assigned or otherwise transferred, in whole or in part, to

one or more taxpayers, provided (A) no credit, after issuance, may be sold, assigned or otherwise transferred, in whole or in part, more than three times, (B) in the case of a credit allowed for the income year commencing on or after January 1, 2011, but prior to January 1, 2012, any entity that is not subject to tax under chapter 207 or this chapter may transfer not more than fifty per cent of such credit in any one income year, and (C) in the case of a credit allowed for an income year commencing on or after January 1, 2012, any entity that is not subject to tax under chapter 207 or this chapter may transfer not more than twenty-five per cent of such credit in any one income year.

(2) Notwithstanding the provisions of subdivision (1) of this subsection, any entity that is not subject to tax under this chapter or chapter 207 shall not be subject to the limitations on the transfer of credits provided in subparagraphs (B) and (C) of said subdivision (1), provided such entity owns not less than fifty per cent, directly or indirectly, of a business entity, as defined in section 12-284b.

(3) Notwithstanding the provisions of subdivision (1) of this subsection, any qualified production that is created in whole or in significant part, as determined by the Commissioner of Economic and Community Development, at a qualified production facility shall not be subject to the limitations of subparagraph (B) or (C) of said subdivision (1). For purposes of this subdivision, "qualified production facility" means a facility (A) located in this state, (B) intended for film, television or digital media production, and (C) that has had a minimum investment of three million dollars, or less if the Commissioner of Economic and Community Development determines such facility otherwise qualifies.

(4) (A) For the income year commencing on or after January 1, 2018, but prior to January 1, 2019, any credit that is sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers pursuant to subdivision (1) of this subsection may be claimed against the tax

imposed under chapter 211 only if there is common ownership of at least fifty per cent between such taxpayer and the eligible production company that sold, assigned or otherwise transferred such credit. Such taxpayer may only claim ninety-two per cent of the amount of such credit entered by the department on the production tax credit voucher.

(B) For income years commencing on or after January 1, 2019, any credit that is sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers pursuant to subdivision (1) of this subsection, which credit is claimed against the tax imposed under chapter 211, shall be subject to the following limits:

(i) The taxpayer may only claim ninety-five per cent of the amount of such credit entered by the department on the production tax credit voucher; and

(ii) If there is common ownership of at least fifty per cent between such taxpayer and the eligible production company that sold, assigned or otherwise transferred such credit, such taxpayer may only claim ninety-two per cent of the amount of such credit entered by the department on the production tax credit voucher.

(5) (A) For income years commencing on or after January 1, 2022, but prior to January 1, 2024, and on or after January 1, **[**2026**]** 2028, any credit that is claimed against the tax imposed under chapter 219 shall be subject to the following limits:

(i) Any credit that is sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers pursuant to subdivision (1) of this subsection may be claimed against the tax imposed under chapter 219 only if there is common ownership of at least fifty per cent between such taxpayer and the eligible production company that sold, assigned or otherwise transferred such credit; and

(ii) The eligible production company or taxpayer claiming the credit

against the tax imposed under chapter 219 may only claim seventy-eight per cent of the amount of such credit entered by the department on the production tax credit voucher.

(B) For income years commencing on or after January 1, 2024, but prior to January 1, **[**2026**]** 2028, any credit that is claimed against the tax imposed under chapter 219 shall be subject to the following limits:

(i) Any credit that is sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers pursuant to subdivision (1) of this subsection may be claimed against the tax imposed under chapter 219 only if there is common ownership of at least fifty per cent between such taxpayer and the eligible production company that sold, assigned or otherwise transferred such credit; and

(ii) The eligible production company or taxpayer claiming the credit against the tax imposed under chapter 219 may only claim ninety-two per cent of the amount of such credit entered by the department on the production tax credit voucher.

(f) (1) On and after July 1, 2006, and for income years commencing on or after January 1, 2006, but prior to January 1, 2015, all or part of any such credit allowed under this section may be claimed against the tax imposed under chapter 207 or this chapter for the income year in which the production expenses or costs were incurred, or in the three immediately succeeding income years.

(2) For production tax credit vouchers issued on or after July 1, 2015, but prior to January 1, 2018, all or part of any such credit may be claimed against the tax imposed under chapter 207 or this chapter, for the income year in which the production expenses or costs were incurred, or in the five immediately succeeding income years.

(3) For production tax credit vouchers issued on or after July 1, 2018, but prior to January 1, 2022, all or part of any such credit may be claimed

against the tax imposed under chapter 207 or 211 or this chapter, for the income year in which the production expenses or costs were incurred, or in the five immediately succeeding income years.

(4) For production tax credit vouchers issued on or after January 1, 2022, all or part of any such credit may be claimed against the tax imposed under chapter 207, 211, 219 or this chapter, for the income year in which the production expenses or costs were incurred, or in the five immediately succeeding income years.

(g) Any production tax credit allowed under this section shall be nonrefundable.

(h) (1) An eligible production company shall apply to the department for a tax credit voucher on an annual basis, but not later than ninety days after the first production expenses or costs are incurred in the production of a qualified production, and shall provide with such application such information as the department may require to determine such company's eligibility to claim a credit under this section. No production expenses or costs may be listed more than once for purposes of the tax credit voucher pursuant to this section or section 12-217kk, and if a production expense or cost has been included in a claim for a credit, such production expense or cost may not be included in any subsequent claim for a credit.

(2) Not later than ninety days after the end of the annual period, or after the completion of the independent certification, an eligible production company shall apply to the department for a production tax credit voucher, and shall provide with such application (A) a report that includes the number of full-time jobs and the number of part-time jobs created by the eligible production company during the annual period, a description of each such job and an explanation of what the eligible production company considers to be job creation for purposes of the report, and (B) such information and independent certification as the

department may require pertaining to the amount of such company's production expenses or costs. Such independent certification shall be provided by an audit professional chosen from a list compiled by the department. If the department determines that such company is eligible to be issued a production tax credit voucher, the department shall enter on the voucher the amount of production expenses or costs that has been established to the satisfaction of the department and the amount of such company's credit under this section. The department shall provide a copy of such voucher to the commissioner, upon request.

(3) The department shall charge a reasonable and nonrefundable administrative fee sufficient to cover the department's costs to analyze applications submitted under this section.

(i) If an eligible production company sells, assigns or otherwise transfers a credit under this section to another taxpayer, the transferor and transferee shall jointly submit written notification of such transfer to the department not later than thirty days after such transfer. If such transferee sells, assigns or otherwise transfers a credit under this section to a subsequent transferee, such transferee and such subsequent transferee shall jointly submit written notification of such transfer to the department not later than thirty days after such transfer. The notification after each transfer shall include the credit voucher number, the date of transfer, the amount of such credit transferred, the tax credit balance before and after the transfer, the tax identification numbers for both the transferor and the transferee, and any other information required by the department. Failure to comply with this subsection will result in a disallowance of the tax credit until there is full compliance on the part of the transferor and the transferee, and for a second or third transfer, on the part of all subsequent transferors and transferees. The department shall provide a copy of the notification of assignment to the commissioner upon request.

(j) Any eligible production company that submits information to the

department that it knows to be fraudulent or false shall, in addition to any other penalties provided by law, be liable for a penalty equal to the amount of such company's credit entered on the production tax credit voucher issued under this section.

(k) No tax credits transferred pursuant to this section shall be subject to a post-certification remedy, and the department and the commissioner shall have no right, except in the case of possible material misrepresentation or fraud, to conduct any further or additional review, examination or audit of the expenditures or costs for which such tax credits were issued. The sole and exclusive remedy of the department and the commissioner shall be to seek collection of the amount of such tax credits from the entity that committed the fraud or misrepresentation.

(l) The department, in consultation with the commissioner, may adopt regulations, in accordance with the provisions of chapter 54, as may be necessary for the administration of this section.

Sec. 269. Section 472 of public act 25-168, as amended by section 203 of public act 25-174, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The Secretary of the Office of Policy and Management shall grant additional municipal aid, from Other Expenses, as follows: **[**(1)**]** To the city of New Haven, $500,000 for the fiscal year ending June 30, 2026. **[**; and (2) to the towns of Ledyard and Montville, $800,000 to each town for the fiscal year ending June 30, 2027.**]**

Sec. 270. (*Effective July 1, 2026*) Notwithstanding the provisions of section 25 of public act 25-168, for the fiscal year ending June 30, 2027, the grants paid to the towns of Ledyard and Montville from the moneys available in the Mashantucket Pequot and Mohegan Fund established pursuant to section 3-55i of the general statutes shall be as follows: To

the town of Ledyard, $2,191,000; and to the town of Montville, $2,246,162.

Sec. 271. (NEW) (*Effective January 1, 2027, and applicable to taxable years commencing on or after January 1, 2027*) (a) As used in this section:

(1) "Activities of daily living" means basic personal everyday activities, including, but not limited to, ambulating, feeding, dressing, personal hygiene, continence and toileting.

(2) "Eligible expenditure" means (A) the improvement or alteration to the family caregiver's or eligible family member's primary residence to permit the eligible family member to live in the residence and to remain mobile, safe and independent, (B) the family caregiver's purchase or lease of equipment, including, but not limited to, durable medical equipment that is necessary to assist an eligible family member in carrying out one or more activities of daily living, and (C) other paid or incurred expenses by the family caregiver that assist the family caregiver in providing care to an eligible family member, including, but not limited to expenditures related to (i) hiring a home health aide, (ii) respite care, (iii) adult day care, (iv) personal care attendants, (v) health care equipment, and (vi) technology. "Eligible expenditure" does not include general household maintenance activities, including, but not limited to, painting, plumbing, electrical repairs and exterior maintenance.

(3) "Eligible family member" means a person who (A) requires assistance with at least two activities of daily living, as certified in writing by a licensed health care provider, as defined in section 19a-106a of the general statutes, (B) qualifies as a dependent, spouse, parent or other relation by blood or marriage to the family caregiver, and (C) lives in a private residential home and not in a long-term care facility, as defined in section 19a-535e of the general statutes.

(4) "Family caregiver" means a person who (A) provides care and support for an eligible family member, (B) has a federal adjusted gross income of less than fifty thousand dollars for an individual who files a return under the federal income tax as an unmarried individual, a married individual filing separately or a head of household, and less than one hundred thousand dollars for individuals who file a return under the federal income tax as married individuals filing jointly, and (C) has personally incurred uncompensated expenses directly related to the care of an eligible family member.

(b) (1) There shall be allowed, for the taxable years commencing on or after January 1, 2027, a credit against the tax imposed by chapter 229 of the general statutes, other than the liability imposed by section 12-707 of the general statutes, for eligible expenditures incurred by a family caregiver for the care and support of an eligible family member.

(2) The amount of the credit allowed shall be fifty per cent of the eligible expenditures incurred by such family caregiver in a taxable year and shall not exceed two thousand dollars for any taxable year. If two or more family caregivers claim the credit authorized by this section for the same eligible family member, the maximum allowable credit shall be allocated in equal amounts between each of the family caregivers.

(c) (1) The Department of Revenue Services shall administer a system of tax credit vouchers within the resources, requirements and purposes of this section. A family caregiver may apply to the Commissioner of Revenue Services, in a form and manner prescribed by the commissioner, for a tax credit voucher in an amount as provided in this section. The application shall contain such information the commissioner deems necessary to administer the provisions of this section.

(2) The commissioner shall approve applications on a first-come, first-served basis and shall notify an applicant in writing not later than

thirty days after the date of receipt of an application of the commissioner's approval or rejection of the application.

(3) The total amount of tax credit vouchers that may be issued under this section shall not exceed one million eight hundred thousand dollars in any one taxable year.

(d) Any credit allowed under this section shall be nonrefundable.

Sec. 272. Section 12-412 of the 2026 supplement to the general statutes is amended by adding subdivision (128) as follows (*Effective July 1, 2026, and applicable to sales occurring on or after July 1, 2026*):

(NEW) (128) Nonelectronic school supplies, such as backpacks, lunchboxes, notebooks, pens and pencils, crayons, rulers and paper.

Sec. 273. Section 12-7e of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

Commencing July 1, 2025, the Commissioner of Revenue Services shall track and record the source of the revenue received by the state each fiscal year from the tax imposed under chapters 207, 208, 219 and 229, for the purpose of accurately and fairly attributing to each municipality revenue received from each such tax. The commissioner shall determine the sourcing method for the revenue from the tax imposed under said chapters, provided the revenue from the taxes imposed under chapters 207, 208 and 219 is sourced to each municipality in which the taxpayer has an office or facility in the state and the revenue from the tax imposed under chapter 229 from earned income shall be sourced, to the extent possible, to the municipality in which the employer's office or facility is located, for the employees who work primarily at such location. Taxpayers paying a tax specified in this subsection shall provide disaggregated information and such other data the commissioner requests to carry out the provisions of this section. On

or before October 31, 2026, and annually thereafter, the commissioner shall post on the Department of Revenue Services' Internet web site a list of all municipalities and the amount of revenue from each such tax attributed to the municipality for the applicable fiscal year.

Sec. 274. (*Effective from passage*) (a) As used in this section:

(1) "Augmented productivity" means the portion of gross revenue that exceeds an employer's three-year historical average, provided such increase is achieved through the integration of collaborative technology while maintaining a stable workforce;

(2) "Collaborative technology" means any hardware, software or algorithmic system, including artificial intelligence, designed to be operated by or to assist an employee in the performance of such employee's duties, where the technology serves as a multiplier of the employee's individual productivity rather than as a stand-alone replacement of the employee;

(3) "Productivity gap" means the measurable increase in revenue-per-employee hours that occurs when Connecticut payroll is reduced materially while gross revenue remains stable or increases; and

(4) "Stable workforce" means a Connecticut-domiciled workforce where the total headcount and aggregate payroll expenses for such workforce remain at or above ninety-five per cent of the three-year historical average of the employer.

(b) (1) Not later than January 1, 2027, the Secretary of the Office of Policy and Management shall, in consultation with the Commissioner of Revenue Services, the Labor Commissioner and the Chief Workforce Officer, submit a plan to the General Assembly, in accordance with the provisions of section 11-4a of the general statutes, to ensure that technological advancements serve to augment worker capability rather than render it obsolete and productivity gains lead to a more skilled

workforce, by developing (A) a mechanism to reinvest capital when business output and labor costs become materially decoupled, (B) steps to be actively taken by the state to minimize such decoupling by fostering collaborative productivity models that increase output without a corresponding decline in the workforce, and (C) a workforce and productivity gap contribution from employers.

(2) The workforce and productivity gap contribution plan shall include:

(A) A formula for a surcharge to be assessed annually for each income or taxable year in which an employer maintains a productivity gap. Such surcharge shall reflect the financial delta between an employer's baseline productivity levels and its reduced payroll expenses for the applicable income or taxable year, and shall be structured to ensure that efficiency gains realized through the displacement of employees are recaptured by the state on an ongoing basis to mitigate the resulting economic impact;

(B) An augmented productivity tax exemption that ensures that any augmented productivity achieved by an employer is permanently exempt from taxation by the state;

(C) Administrative procedures for the reporting and collection of such surcharge, based on Connecticut-specific payroll and tax data; and

(D) The establishment of a workforce and economic stability account, in which the surcharges collected shall be deposited and shall be used exclusively for the purposes of workforce retraining, technical education and career transition programs for displaced employees.

Sec. 275. (*Effective July 1, 2027, and applicable to income years commencing on or after January 1, 2027*) (a) As used in this section, "eligible production company", "production expenses or costs" and "state-certified qualified production" have the same meanings as provided in section 12-217jj of

the general statutes.

(b) (1) For the income years commencing January 1, 2027, and prior to January 1, 2029, any eligible production company that is eligible for a credit under subsection (b) of section 12-217jj of the general statutes may apply to the Department of Economic and Community Development, in the manner provided under subsection (h) of said section, for a production tax credit voucher for an additional credit as provided under this section.

(2) The additional credit for an eligible production company under this section shall be for production expenses or costs incurred for a state-certified qualified production for which principal photography shooting occurs in the city of Bridgeport, Hartford or New Haven, or any combination thereof, for at least one day, and shall be as follows: (A) For any such company incurring such expenses or costs of not less than one hundred thousand dollars, but not more than five hundred thousand dollars, a credit equal to thirty per cent of such expenses or costs; (B) for any such company incurring such expenses or costs of more than five hundred thousand dollars, but not more than one million dollars, a credit equal to thirty-five per cent of such expenses or costs; and (C) for any such company incurring such expenses or costs of more than one million dollars, a credit equal to fifty per cent of such expenses or costs.

(3) The aggregate amount of all production tax credit vouchers issued by the Department of Economic and Community Development for the additional credit under this section shall not exceed one million five hundred thousand dollars for income years commencing on or after January 1, 2027, and prior to January 1, 2029.

(c) For production tax credit vouchers issued pursuant to this section, all or part of any such credit may be claimed against the tax imposed under chapter 207, 208, 211 or 219 of the general statutes, for the income

year in which the production expenses or costs were incurred, or in the five immediately succeeding income years, and may be sold, assigned or otherwise transferred, in whole or in part, in accordance with subsection (e) of 12-217jj of the general statutes.

Sec. 276. (*Effective from passage*) Not later than June 30, 2026, the Comptroller shall transfer one hundred million dollars of the resources of the Special Transportation Fund for the fiscal year ending June 30, 2026, to be accounted for as revenue of the Special Transportation Fund for the fiscal year ending June 30, 2027.

Sec. 277. Subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026, and applicable to taxable years commencing on or after January 1, 2026*):

(B) There shall be subtracted therefrom:

(i) To the extent properly includable in gross income for federal income tax purposes, any income with respect to which taxation by any state is prohibited by federal law;

(ii) To the extent allowable under section 12-718, exempt dividends paid by a regulated investment company;

(iii) To the extent properly includable in gross income for federal income tax purposes, the amount of any refund or credit for overpayment of income taxes imposed by this state, or any other state of the United States or a political subdivision thereof, or the District of Columbia;

(iv) To the extent properly includable in gross income for federal income tax purposes and not otherwise subtracted from federal adjusted gross income pursuant to clause (x) of this subparagraph in computing Connecticut adjusted gross income, any tier 1 railroad

retirement benefits;

(v) To the extent any additional allowance for depreciation under Section 168(k) of the Internal Revenue Code for property placed in service after September 27, 2017, was added to federal adjusted gross income pursuant to subparagraph (A)(ix) of this subdivision in computing Connecticut adjusted gross income, twenty-five per cent of such additional allowance for depreciation in each of the four succeeding taxable years;

(vi) To the extent properly includable in gross income for federal income tax purposes, any interest income from obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut;

(vii) To the extent properly includable in determining the net gain or loss from the sale or other disposition of capital assets for federal income tax purposes, any gain from the sale or exchange of obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, in the income year such gain was recognized;

(viii) Any interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such interest on indebtedness is not deductible in determining federal adjusted gross income and is attributable to a trade or business carried on by such individual;

(ix) Ordinary and necessary expenses paid or incurred during the taxable year for the production or collection of income which is subject to taxation under this chapter but exempt from federal income tax, or

the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the taxable year on any bond the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such expenses and premiums are not deductible in determining federal adjusted gross income and are attributable to a trade or business carried on by such individual;

(x) (I) For taxable years commencing prior to January 1, 2019, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than sixty thousand dollars or a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is less than sixty thousand dollars, an amount equal to the Social Security benefits includable for federal income tax purposes;

(II) For taxable years commencing prior to January 1, 2019, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or as a married individual filing separately whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income from such taxable year is sixty thousand dollars or more or for a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is sixty thousand dollars or more, an

amount equal to the difference between the amount of Social Security benefits includable for federal income tax purposes and the lesser of twenty-five per cent of the Social Security benefits received during the taxable year, or twenty-five per cent of the excess described in Section 86(b)(1) of the Internal Revenue Code;

(III) For the taxable year commencing January 1, 2019, and each taxable year thereafter, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars or a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, an amount equal to the Social Security benefits includable for federal income tax purposes; and

(IV) For the taxable year commencing January 1, 2019, and each taxable year thereafter, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is seventy-five thousand dollars or more, or as a married individual filing separately whose federal adjusted gross income for such taxable year is seventy-five thousand dollars or more, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income from such taxable year is one hundred thousand dollars or more or for a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is one hundred thousand dollars or more, an amount equal to the difference between the amount of Social Security benefits includable for

federal income tax purposes and the lesser of twenty-five per cent of the Social Security benefits received during the taxable year, or twenty-five per cent of the excess described in Section 86(b)(1) of the Internal Revenue Code;

(xi) To the extent properly includable in gross income for federal income tax purposes, any amount rebated to a taxpayer pursuant to section 12-746;

(xii) To the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, any distribution to such beneficiary from any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state;

(xiii) To the extent allowable under section 12-701a, contributions to accounts established pursuant to any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state;

(xiv) To the extent properly includable in gross income for federal income tax purposes, the amount of any Holocaust victims' settlement payment received in the taxable year by a Holocaust victim;

(xv) To the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, as defined in section 3-123aa, interest, dividends or capital gains earned on contributions to accounts established for the designated beneficiary pursuant to the Connecticut Homecare Option Program for the Elderly established by sections 3-123aa to 3-123ff, inclusive;

(xvi) To the extent properly includable in gross income for federal income tax purposes, any income received from the United States

government as retirement pay for a retired member of (I) the Armed Forces of the United States, as defined in Section 101 of Title 10 of the United States Code, **[**or**]** (II) the National Guard, as defined in Section 101 of Title 10 of the United States Code, or (III) the commissioned corps of the Public Health Service, as defined in Section 101 of Title 10 of the United States Code;

(xvii) To the extent properly includable in gross income for federal income tax purposes for the taxable year, any income from the discharge of indebtedness in connection with any reacquisition, after December 31, 2008, and before January 1, 2011, of an applicable debt instrument or instruments, as those terms are defined in Section 108 of the Internal Revenue Code, as amended by Section 1231 of the American Recovery and Reinvestment Act of 2009, to the extent any such income was added to federal adjusted gross income pursuant to subparagraph (A)(xi) of this subdivision in computing Connecticut adjusted gross income for a preceding taxable year;

(xviii) To the extent not deductible in determining federal adjusted gross income, the amount of any contribution to a manufacturing reinvestment account established pursuant to section 32-9zz in the taxable year that such contribution is made;

(xix) To the extent properly includable in gross income for federal income tax purposes, (I) for the taxable year commencing January 1, 2015, ten per cent of the income received from the state teachers' retirement system, (II) for the taxable years commencing January 1, 2016, to January 1, 2020, inclusive, twenty-five per cent of the income received from the state teachers' retirement system, and (III) for the taxable year commencing January 1, 2021, and each taxable year thereafter, fifty per cent of the income received from the state teachers' retirement system or, for a taxpayer whose federal adjusted gross income does not exceed the applicable threshold under clause (xx) of this subparagraph, the percentage pursuant to said clause of the income

received from the state teachers' retirement system, whichever deduction is greater;

(xx) To the extent properly includable in gross income for federal income tax purposes, except for retirement benefits under clause (iv) of this subparagraph and retirement pay under clause (xvi) of this subparagraph, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, (I) for the taxable year commencing January 1, 2019, fourteen per cent of any pension or annuity income, (II) for the taxable year commencing January 1, 2020, twenty-eight per cent of any pension or annuity income, (III) for the taxable year commencing January 1, 2021, forty-two per cent of any pension or annuity income, and (IV) for the taxable years commencing January 1, 2022, and January 1, 2023, one hundred per cent of any pension or annuity income;

(xxi) To the extent properly includable in gross income for federal income tax purposes, except for retirement benefits under clause (iv) of this subparagraph and retirement pay under clause (xvi) of this subparagraph, any pension or annuity income for the taxable year commencing on or after January 1, 2024, and each taxable year thereafter, in accordance with the following schedule, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a married individual filing

separately whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars:

Federal Adjusted Gross Income	Deduction
Less than $75,000	100.0%
$75,000 but not over $77,499	85.0%
$77,500 but not over $79,999	70.0%
$80,000 but not over $82,499	55.0%
$82,500 but not over $84,999	40.0%
$85,000 but not over $87,499	25.0%
$87,500 but not over $89,999	10.0%
$90,000 but not over $94,999	5.0%
$95,000 but not over $99,999	2.5%
$100,000 and over	0.0%

(xxii) To the extent properly includable in gross income for federal income tax purposes, except for retirement benefits under clause (iv) of this subparagraph and retirement pay under clause (xvi) of this subparagraph, any pension or annuity income for the taxable year commencing on or after January 1, 2024, and each taxable year thereafter, in accordance with the following schedule for married individuals who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred fifty thousand dollars:

Federal Adjusted Gross Income	Deduction
Less than $100,000	100.0%
$100,000 but not over $104,999	85.0%
$105,000 but not over $109,999	70.0%
$110,000 but not over $114,999	55.0%

$115,000 but not over $119,999	40.0%
$120,000 but not over $124,999	25.0%
$125,000 but not over $129,999	10.0%
$130,000 but not over $139,999	5.0%
$140,000 but not over $149,999	2.5%
$150,000 and over	0.0%

(xxiii) The amount of lost wages and medical, travel and housing expenses, not to exceed ten thousand dollars in the aggregate, incurred by a taxpayer during the taxable year in connection with the donation to another person of an organ for organ transplantation occurring on or after January 1, 2017;

(xxiv) To the extent properly includable in gross income for federal income tax purposes, the amount of any financial assistance received from the Crumbling Foundations Assistance Fund or paid to or on behalf of the owner of a residential building pursuant to sections 8-442 and 8-443;

(xxv) To the extent properly includable in gross income for federal income tax purposes, the amount calculated pursuant to subsection (b) of section 12-704g for income received by a general partner of a venture capital fund, as defined in 17 CFR 275.203(l)-1, as amended from time to time;

(xxvi) To the extent any portion of a deduction under Section 179 of the Internal Revenue Code was added to federal adjusted gross income pursuant to subparagraph (A)(xiv) of this subdivision in computing Connecticut adjusted gross income, twenty-five per cent of such disallowed portion of the deduction in each of the four succeeding taxable years;

(xxvii) To the extent properly includable in gross income for federal

income tax purposes, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, for the taxable year commencing January 1, 2023, twenty-five per cent of any distribution from an individual retirement account other than a Roth individual retirement account;

(xxviii) To the extent properly includable in gross income for federal income tax purposes, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, (I) for the taxable year commencing January 1, 2024, fifty per cent of any distribution from an individual retirement account other than a Roth individual retirement account, (II) for the taxable year commencing January 1, 2025, seventy-five per cent of any distribution from an individual retirement account other than a Roth individual retirement account, and (III) for the taxable year commencing January 1, 2026, and each taxable year thereafter, any distribution from an individual retirement account other than a Roth individual retirement account. The subtraction under this clause shall be made in accordance with the following schedule:

Federal Adjusted Gross Income	Deduction

Less than $75,000	100.0%
$75,000 but not over $77,499	85.0%
$77,500 but not over $79,999	70.0%
$80,000 but not over $82,499	55.0%
$82,500 but not over $84,999	40.0%
$85,000 but not over $87,499	25.0%
$87,500 but not over $89,999	10.0%
$90,000 but not over $94,999	5.0%
$95,000 but not over $99,999	2.5%
$100,000 and over	0.0%

(xxix) To the extent properly includable in gross income for federal income tax purposes, for married individuals who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred fifty thousand dollars, (I) for the taxable year commencing January 1, 2024, fifty per cent of any distribution from an individual retirement account other than a Roth individual retirement account, (II) for the taxable year commencing January 1, 2025, seventy-five per cent of any distribution from an individual retirement account other than a Roth individual retirement account, and (III) for the taxable year commencing January 1, 2026, and each taxable year thereafter, any distribution from an individual retirement account other than a Roth individual retirement account. The subtraction under this clause shall be made in accordance with the following schedule:

Federal Adjusted Gross Income	Deduction
Less than $100,000	100.0%
$100,000 but not over $104,999	85.0%
$105,000 but not over $109,999	70.0%
$110,000 but not over $114,999	55.0%
$115,000 but not over $119,999	40.0%

$120,000 but not over $124,999	25.0%
$125,000 but not over $129,999	10.0%
$130,000 but not over $139,999	5.0%
$140,000 but not over $149,999	2.5%
$150,000 and over	0.0%

(xxx) To the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing January 1, 2022, the amount or amounts paid or otherwise credited to any eligible resident of this state under (I) the 2020 Earned Income Tax Credit enhancement program from funding allocated to the state through the Coronavirus Relief Fund established under the Coronavirus Aid, Relief, and Economic Security Act, P.L. 116-136, and (II) the 2021 Earned Income Tax Credit enhancement program from funding allocated to the state pursuant to Section 9901 of Subtitle M of Title IX of the American Rescue Plan Act of 2021, P.L. 117-2;

(xxxi) For the taxable year commencing January 1, 2023, and each taxable year thereafter, for a taxpayer licensed under the provisions of chapter 420f or 420h, the amount of ordinary and necessary expenses that would be eligible to be claimed as a deduction for federal income tax purposes under Section 162(a) of the Internal Revenue Code but that are disallowed under Section 280E of the Internal Revenue Code because marijuana is a controlled substance under the federal Controlled Substance Act;

(xxxii) To the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing on or after January 1, 2025, and each taxable year thereafter, any common stock received by the taxpayer during the taxable year under a share plan, as defined in section 12-217ss;

(xxxiii) To the extent properly includable in gross income for federal

income tax purposes, the amount of any student loan reimbursement payment received by a taxpayer pursuant to section 10a-19m;

(xxxiv) Contributions to an ABLE account established pursuant to sections 3-39k to 3-39q, inclusive, not to exceed five thousand dollars for each individual taxpayer or ten thousand dollars for taxpayers filing a joint return;

(xxxv) To the extent properly includable in gross income for federal income tax purposes, the amount of any payment received pursuant to subsection (c) of section 3-122a;

(xxxvi) For an account holder, as defined in section 12-724b, who files a return under the federal income tax as an unmarried individual, a married individual filing separately or a head of household, whose federal adjusted gross income for the taxable year is less than one hundred twenty-five thousand dollars or who files a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for the taxable year is less than two hundred fifty thousand dollars:

(I) To the extent not deductible in determining federal adjusted gross income, for the taxable year commencing January 1, 2027, an amount equal to the contributions deposited during the taxable years commencing January 1, 2026, and January 1, 2027, in a first-time homebuyer savings account established pursuant to subsection (c) of section 12-724b, less any amounts withdrawn during said taxable years by the account holder from such account under subparagraph (D) of subdivision (2) of subsection (f) of section 12-724b. The amount claimed under this subclause shall not exceed two thousand five hundred dollars for each such taxable year for an unmarried individual, a married individual filing separately or a head of household and five thousand dollars for each such taxable year for married individuals filing jointly;

(II) To the extent not deductible in determining federal adjusted gross income, for the taxable year commencing January 1, 2028, and each taxable year thereafter, an amount equal to the contributions deposited during the taxable year in a first-time homebuyer savings account established pursuant to subsection (c) of section 12-724b, less any amounts withdrawn during the taxable year by the account holder from such account pursuant to subparagraph (D) of subdivision (2) of subsection (f) of section 12-724b. The amount allowed to be claimed under this subclause for the taxable year shall not exceed two thousand five hundred dollars for an unmarried individual, a married individual filing separately or a head of household and five thousand dollars for married individuals filing jointly; and

(III) To the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing January 1, 2027, and each taxable year thereafter, an amount equal to the sum of all interest accrued on a first-time homebuyer savings account, established pursuant to subsection (c) of section 12-724b, during the taxable year; and

(xxxvii) To the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing January 1, 2027, and each taxable year thereafter, for an account holder who is a qualified beneficiary of a first-time homebuyer savings account, as those terms are defined in section 12-724b, and who files a return under the federal income tax as an unmarried individual, a married individual filing separately or a head of household, whose federal adjusted gross income for the taxable year is less than one hundred twenty-five thousand dollars or who files a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for the taxable year is less than two hundred fifty thousand dollars, an amount equal to any withdrawal from such account that is used to pay or reimburse such qualified beneficiary for eligible costs, as defined in

section 12-724b, incurred by the qualified beneficiary.

Sec. 278. Section 460 of public act 25-168 is amended to read as follows (*Effective July 1, 2026*):

The appropriations in section 1 of **[**this act**]** public act 25-168, as amended by section 1 of this act, are supported by the GENERAL FUND revenue estimates as follows:

	2025-2026	2026-2027
TAXES		
Personal Income		
Withholding	$9,287,200,000	**[**$9,645,100,000**]** $9,864,000,000
Estimates and Finals	3,343,700,000	**[**3,434,700,000**]** 4,098,300,000
Sales and Use	5,103,100,000	**[**5,230,300,000**]** 5,436,500,000
Corporations	1,659,500,000	**[**1,656,300,000**]** 1,352,600,000
Pass-Through Entities	2,115,300,000	**[**2,170,300,000**]** 2,435,600,000
Public Service	319,400,000	**[**322,200,000**]** 347,500,000
Inheritance and Estate	176,000,000	**[**235,700,000**]** 200,700,000
Insurance Companies	323,900,000	**[**328,600,000**]** 384,400,000
Cigarettes	228,100,000	**[**215,800,000**]** 203,800,000
Real Estate Conveyance	295,200,000	**[**299,300,000**]** 338,300,000
Alcoholic Beverages	79,100,000	**[**79,500,000**]** 76,600,000
Admissions and Dues	39,700,000	**[**40,200,000**]** 44,800,000
Health Provider Tax	916,900,000	**[**1,293,200,000**]** 121,600,000

Miscellaneous	21,900,000	**[**21,300,000**]** 19,900,000
TOTAL TAXES	23,909,000,000	**[**24,972,500,000**]** 24,924,600,000
Refunds of Taxes	(1,966,800,000)	**[**(2,040,800,000)**]** (2,073,800,000)
Earned Income Tax Credit	(235,400,000)	(240,500,000)
R & D Credit Exchange	(9,800,000)	**[**(10,100,000)**]** (14,800,000)
NET GENERAL FUND REVENUE	21,697,000,000	**[**22,681,100,000**]** 22,595,500,000
OTHER REVENUE		
Transfers - Special Revenue	376,300,000	**[**385,700,000**]** 381,700,000
Indian Gaming Payments	334,600,000	**[**349,900,000**]** 380,100,000
Licenses, Permits, Fees	362,900,000	**[**335,600,000**]** 340,200,000
Sales of Commodities	17,300,000	**[**17,600,000**]** 18,000,000
Rents, Fines and Escheats	203,200,000	**[**198,300,000**]** 251,400,000
Investment Income	301,500,000	**[**251,400,000**]** 236,400,000
Miscellaneous	189,100,000	**[**194,100,000**]** 167,100,000
Refunds of Payments	(89,700,000)	**[**(92,100,000)**]** (108,900,000)
NET TOTAL OTHER REVENUE	1,695,200,000	**[**1,640,500,000**]** 1,666,000,000
OTHER SOURCES		
Federal Grants	1,853,200,000	**[**2,035,300,000**]** 2,211,800,000
Transfer From Tobacco Settlement	91,800,000	**[**90,200,000**]** 86,000,000

Transfers (To)/From Other Funds	(261,353,800)	**[**89,300,000**]** 306,300,000
Transfer to Budget Reserve Fund - Volatility Cap	(730,400,000)	**[**(622,700,000)**]** (1,531,400,000)
NET TOTAL OTHER SOURCES	953,246,200	**[**1,592,100,000**]** 1,072,700,000
TOTAL GENERAL FUND REVENUE	24,345,446,200	**[**25,913,700,000**]** 25,334,200,000

Sec. 279. Section 461 of public act 25-168 is amended to read as follows (*Effective July 1, 2026*):

The appropriations in section 2 of **[**this act**]** public act 25-168, as amended by section 2 of this act, are supported by the SPECIAL TRANSPORTATION FUND revenue estimates as follows:

	2025-2026	2026-2027
TAXES		
Motor Fuels	$502,000,000	**[**$494,400,000**]** $504,500,000
Oil Companies	293,800,000	**[**300,200,000**]** 358,400,000
Sales and Use	879,150,000	**[**902,250,000**]** 916,800,000
Sales Tax DMV	118,100,000	**[**119,300,000**]** 110,800,000
Highway Use Tax	61,700,000	**[**62,600,000**]** 61,700,000
Refund of Taxes	(10,300,000)	(10,600,000)
TOTAL TAXES	1,844,450,000	**[**1,868,150,000**]** 1,941,600,000
OTHER SOURCES		
Motor Vehicle Receipts	282,100,000	**[**283,400,000**]** 272,300,000

Licenses, Permits, Fees	134,900,000	**[**137,200,000**]** 141,100,000
Interest Income	47,000,000	**[**41,500,000**]** 64,400,000
Federal Grants	-	-
Transfers (To)/From Other Funds	11,500,000	**[**117,500,000**]** 217,500,000
Refunds of Payments	(10,900,000)	**[**(11,100,000)**]** (12,300,000)
NET TOTAL OTHER SOURCES	464,600,000	**[**568,500,000**]** 683,000,000
TOTAL SPECIAL TRANSPORTATION FUND REVENUE	2,309,050,000	**[**2,436,650,000**]** 2,624,600,000

Sec. 280. Section 462 of public act 25-168 is amended to read as follows (*Effective July 1, 2026*):

The appropriations in section 3 of **[**this act**]** public act 25-168, as amended by section 3 of this act, are supported by the MASHANTUCKET PEQUOT AND MOHEGAN FUND revenue estimates as follows:

	2025-2026	2026-2027
Transfers from General Fund	$52,600,000	**[**$52,600,000**]** $54,300,000
TOTAL MASHANTUCKET PEQUOT AND MOHEGAN FUND REVENUE	52,600,000	**[**52,600,000**]** 54,300,000

Sec. 281. Section 463 of public act 25-168 is amended to read as follows (*Effective July 1, 2026*):

The appropriations in section 4 of **[**this act**]** public act 25-168, as amended by section 4 of this act, are supported by the BANKING FUND

revenue estimates as follows:

	2025-2026	2026-2027
Fees and Assessments	$36,400,000	**[**$36,600,000**]** 33,700,000
TOTAL BANKING FUND REVENUE	36,400,000	**[**36,600,000**]** 33,700,000

Sec. 282. Section 464 of public act 25-168 is amended to read as follows (*Effective July 1, 2026*):

The appropriations in section 5 of **[**this act**]** public act 25-168, as amended by section 5 of this act, are supported by the INSURANCE FUND revenue estimates as follows:

	2025-2026	2026-2027
Fees and Assessments	$126,400,000	**[**$128,900,000**]** $118,600,000
TOTAL INSURANCE FUND REVENUE	126,400,000	**[**128,900,000**]** 118,600,000

Sec. 283. Section 465 of public act 25-168 is amended to read as follows (*Effective July 1, 2026*):

The appropriations in section 6 of **[**this act**]** public act 25-168, as amended by section 6 of this act, are supported by the CONSUMER COUNSEL AND PUBLIC UTILITY CONTROL FUND revenue estimates as follows:

	2025-2026	2026-2027
Fees and Assessments	$37,800,000	**[**$38,500,000**]** $38,400,000
TOTAL CONSUMER COUNSEL AND PUBLIC UTILITY CONTROL FUND REVENUE	37,800,000	**[**38,500,000**]** 38,400,000

Sec. 284. Section 466 of public act 25-168 is amended to read as follows (*Effective July 1, 2026*):

The appropriations in section 7 of **[**this act**]** public act 25-168, as amended by section 7 of this act, are supported by the WORKERS' COMPENSATION FUND revenue estimates as follows:

	2025-2026	2026-2027
Fees and Assessments	$27,300,000	**[**$27,500,000**]** $28,000,000
TOTAL WORKERS' COMPENSATION FUND REVENUE	27,300,000	**[**27,500,000**]** 28,000,000

Sec. 285. Section 468 of public act 25-168 is amended to read as follows (*Effective July 1, 2026*):

The appropriations in section 9 of **[**this act**]** public act 25-168, as amended by section 8 of this act, are supported by the TOURISM FUND revenue estimates as follows:

	2025-2026	2026-2027
Room Occupancy Tax	$15,500,000	**[**$16,000,000**]** $17,600,000
Use of Funds From Prior Years	2,500,000	3,000,000
Use of Prior Year's Balance		300,000
TOTAL TOURISM FUND REVENUE	18,000,000	**[**19,000,000**]** 20,900,000

Sec. 286. Section 471 of public act 25-168 is amended to read as follows (*Effective July 1, 2026*):

The appropriations in section 12 of **[**this act**]** public act 25-168, as

amended by section 9 of this act, are supported by the MUNICIPAL REVENUE SHARING FUND revenue estimates as follows:

	2025-2026	2026-2027
Sales and Use Tax	$459,250,000	**[**$470,550,000**]** $482,400,000
Transfers (To)/From Other Funds	101,000,000	**[**90,000,000**]** 75,000,000
TOTAL MUNICIPAL REVENUE SHARING FUND REVENUE	560,250,000	**[**560,550,000**]** 557,400,000

Sec. 287. Section 469 of public act 25-168 is amended to read as follows (*Effective July 1, 2026*):

The appropriations in section 10 of **[**this act**]** public act 25-168 are supported by the CANNABIS PREVENTION AND RECOVERY SERVICES FUND revenue estimates as follows:

	2025-2026	2026-2027
Cannabis Excise Tax	$5,900,000	**[**$6,200,000**]** 7,400,000
TOTAL CANNABIS PREVENTION AND RECOVERY SERVICES FUND REVENUE	5,900,000	**[**6,200,000**]** 7,400,000

Sec. 288. Section 470 of public act 25-168 is amended to read as follows (*Effective July 1, 2026*):

The appropriations in section 11 of **[**this act**]** public act 25-168 are supported by the CANNABIS REGULATORY FUND revenue estimates as follows:

	2025-2026	2026-2027
[Cannabis Excise Tax**]** Transfers (To)/From Other Funds	$10,300,000	$10,500,000
TOTAL CANNABIS REGULATORY FUND REVENUE	10,300,000	10,500,000

Sec. 289. (*Effective July 1, 2026*) The State Bond Commission shall have power, in accordance with the provisions of this section and sections 290 to 295, inclusive, of this act, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate not exceeding $231,200,000.

Sec. 290. (*Effective July 1, 2026*) The proceeds of the sale of bonds described in sections 289 to 295, inclusive, of this act, to the extent hereinafter stated, shall be used for the purpose of acquiring, by purchase or condemnation, undertaking, constructing, reconstructing, improving or equipping, or purchasing land or buildings or improving sites for the projects hereinafter described, including payment of architectural, engineering, demolition or related costs in connection therewith, or of payment of the cost of long-range capital programming and space utilization studies as hereinafter stated:

(a) For the Department of Administrative Services: Site acquisition, planning activities and construction costs to replace the current fleet garage in Wethersfield, not exceeding $20,000,000.

(b) For the Department of Emergency Services and Public Protection: Purchase, construction and maintenance of a new mesonet system, not exceeding $1,500,000.

(c) For the Department of Correction:

(1) Security upgrades, including, but not limited to, new doors, information technology upgrades, security cameras and other work to ensure the safety of the department's employees and inmates, not exceeding $10,000,000;

(2) Electronic health records systems, including digital medical care request systems, devices and access points, not exceeding $10,000,000.

(d) For the Department of Energy and Environmental Protection: Natural diversity data base mapping enhancements and other information technology resources to streamline the department's permitting and environmental review processes, not exceeding $5,000,000.

(e) For the Department of Children and Families: Internet web site with a public, online dashboard to provide real-time information concerning the department's state-wide program of services described in section 17a-3 of the general statutes, not exceeding $1,500,000.

(f) For the Connecticut State Colleges and Universities, Naugatuck Valley Community College: Construction of Kinney Hall, not exceeding $63,200,000.

(g) For the Technical Education and Career System:

(1) Design and construction of Vinal Technical High School, not exceeding $50,000,000;

(2) A new technology center, not exceeding $70,000,000.

Sec. 291. (*Effective July 1, 2026*) All provisions of section 3-20 of the general statutes or the exercise of any right or power granted thereby which are not inconsistent with the provisions of sections 289 to 295, inclusive, of this act are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to sections 289 to 295, inclusive, of this act and temporary notes issued in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds.

Sec. 292. (*Effective July 1, 2026*) None of the bonds described in sections 289 to 295, inclusive, of this act shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization, which is signed by the Secretary of the Office of Policy and Management or by or on behalf of such state officer, department or agency and stating such terms and conditions as said commission, in its discretion, may require.

Sec. 293. (*Effective July 1, 2026*) For the purposes of sections 289 to 295, inclusive, of this act, "state moneys" means the proceeds of the sale of bonds authorized pursuant to said sections 289 to 295, inclusive, or of temporary notes issued in anticipation of the moneys to be derived from the sale of such bonds. Each request filed as provided in section 292 of this act for an authorization of bonds shall identify the project for which the proceeds of the sale of such bonds are to be used and expended and, in addition to any terms and conditions required pursuant to said section 292, shall include the recommendation of the person signing such request as to the extent to which federal, private or other moneys then available or thereafter to be made available for costs in connection with any such project should be added to the state moneys available or becoming available hereunder for such project. If the request includes a recommendation that some amount of such federal, private or other moneys should be added to such state moneys, then, if and to the extent directed by the State Bond Commission at the time of authorization of such bonds, such amount of such federal, private or other moneys then available, or thereafter to be made available for costs in connection with such project, may be added to any state moneys available or becoming available hereunder for such project and shall be used for such project. Any other federal, private or other moneys then available or thereafter to be made available for costs in connection with such project shall, upon receipt, be used by the State Treasurer, in conformity with applicable federal and state law, to meet the principal of outstanding bonds issued pursuant to sections 289 to 295, inclusive, of this act, or to

meet the principal of temporary notes issued in anticipation of the money to be derived from the sale of bonds theretofore authorized pursuant to said sections 289 to 295, inclusive, for the purpose of financing such costs, either by purchase or redemption and cancellation of such bonds or notes or by payment thereof at maturity. Whenever any of the federal, private or other moneys so received with respect to such project are used to meet the principal of such temporary notes or whenever principal of any such temporary notes is retired by application of revenue receipts of the state, the amount of bonds theretofore authorized in anticipation of which such temporary notes were issued, and the aggregate amount of bonds which may be authorized pursuant to section 289 of this act, shall each be reduced by the amount of the principal so met or retired. Pending use of the federal, private or other moneys so received to meet principal as hereinabove directed, the amount thereof may be invested by the State Treasurer in bonds or obligations of, or guaranteed by, the state or the United States or agencies or instrumentalities of the United States, shall be deemed to be part of the debt retirement funds of the state, and net earnings on such investments shall be used in the same manner as the moneys so invested.

Sec. 294. (*Effective July 1, 2026*) Any balance of proceeds of the sale of said bonds authorized for any project described in section 290 of this act in excess of the cost of such project may be used to complete any other project described in said section 290, if the State Bond Commission shall so determine and direct. Any balance of proceeds of the sale of said bonds in excess of the costs of all the projects described in said section 290 shall be deposited to the credit of the General Fund.

Sec. 295. (*Effective July 1, 2026*) The bonds issued pursuant to this section and sections 289 to 294, inclusive, of this act shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest

on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 296. (*Effective July 1, 2026*) The State Bond Commission shall have power, in accordance with the provisions of this section and sections 297 to 303, inclusive, of this act, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding $64,000,000.

Sec. 297. (*Effective July 1, 2026*) The proceeds of the sale of the bonds described in sections 296 to 303, inclusive, of this act shall be used for the purpose of providing grants-in-aid and other financing for the projects, programs and purposes hereinafter stated:

(a) For the Department of Economic and Community Development:

(1) Grants-in-aid to municipalities and nonprofit providers of human or social services for capital expenditure projects to place or maintain war or veterans' memorials or monuments, not exceeding $2,000,000;

(2) Grant-in-aid to the town of East Haven for costs associated with the planning, design, acquisition, construction, reconstruction, renovation, expansion, improvement, furnishing and equipping one or more public safety facilities, including, but not limited to, the construction of one or more new facilities or the acquisition, renovation, conversion or improvement of one or more existing buildings for use as public safety facilities, together with any related site acquisition, site preparation, utilities, infrastructure improvements and appurtenances, not exceeding $40,000,000;

(3) Grant-in-aid to the town of East Haven to support infrastructure, transportation, traffic safety, environmental remediation or other public

improvement projects located on the East Haven shoreline and in the neighborhood areas adjacent to Tweed-New Haven Airport, including, but not limited to, roadway and pedestrian safety improvements, stormwater and drainage infrastructure, streetscape enhancements, environmental mitigation projects and related public infrastructure improvements for the benefit of residents, businesses and visitors to said shoreline and neighborhoods, not exceeding $5,000,000;

(4) Grant-in-aid to the Tweed-New Haven Airport Authority for the design, construction, reconstruction and improvement of external roads servicing the Tweed-New Haven Airport and for property acquisition, easements or other real property interests necessary to facilitate ingress and egress to such airport, but not including the construction of a new passenger terminal facility, new parking spaces, access from any new parking spaces to Proto Drive in the town of East Haven or any connections to South End Road in said town, not exceeding $5,000,000;

(5) Grant-in-aid to the city of New Haven to support infrastructure, transportation, traffic safety, environmental remediation or other public improvement projects located in the East Shore and Annex neighborhoods of said city, including, but not limited to, roadway and pedestrian safety improvements, stormwater and drainage infrastructure, streetscape enhancements, environmental mitigation projects and related public infrastructure improvements for the benefit of residents, businesses and visitors to said neighborhoods, not exceeding $5,000,000.

(b) For the Office of Policy and Management: Grants-in-aid to municipalities for the purchase of nonlethal equipment and crisis response tools for municipal police departments to use for mental health crisis responses, not exceeding $5,000,000.

(c) For the Department of Education: Grants-in-aid to the American School for the Deaf for alterations, renovations and improvements to the

buildings and grounds, not exceeding $2,000,000.

Sec. 298. (*Effective July 1, 2026*) All provisions of section 3-20 of the general statutes or the exercise of any right or power granted thereby that are not inconsistent with the provisions of sections 296 to 303, inclusive, of this act are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to sections 296 to 303, inclusive, of this act and temporary notes issued in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said sections 296 to 303, inclusive, and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds.

Sec. 299. (*Effective July 1, 2026*) None of the bonds described in sections 296 to 303, inclusive, of this act shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization, which is signed by the Secretary of the Office of Policy and Management or by or on behalf of such state officer, department or agency and stating such terms and conditions as said commission, in its discretion, may require.

Sec. 300. (*Effective July 1, 2026*) For the purposes of sections 296 to 303, inclusive, of this act, "state moneys" means the proceeds of the sale of bonds authorized pursuant to said sections 296 to 303, inclusive, or of temporary notes issued in anticipation of the moneys to be derived from the sale of such bonds. Each request filed as provided in section 299 of this act for an authorization of bonds shall identify the project for which the proceeds of the sale of such bonds are to be used and expended and, in addition to any terms and conditions required pursuant to said section 299, include the recommendation of the person signing such request as to the extent to which federal, private or other moneys then available or thereafter to be made available for costs in connection with

any such project should be added to the state moneys available or becoming available under said sections 296 to 303, inclusive, for such project. If the request includes a recommendation that some amount of such federal, private or other moneys should be added to such state moneys, then, if and to the extent directed by the State Bond Commission at the time of authorization of such bonds, such amount of such federal, private or other moneys then available or thereafter to be made available for costs in connection with such project may be added to any state moneys available or becoming available hereunder for such project and be used for such project. Any other federal, private or other moneys then available or thereafter to be made available for costs in connection with such project upon receipt shall, in conformity with applicable federal and state law, be used by the State Treasurer to meet the principal of outstanding bonds issued pursuant to said sections 296 to 303, inclusive, or to meet the principal of temporary notes issued in anticipation of the money to be derived from the sale of bonds theretofore authorized pursuant to said sections 296 to 303, inclusive, for the purpose of financing such costs, either by purchase or redemption and cancellation of such bonds or notes or by payment thereof at maturity. Whenever any of the federal, private or other moneys so received with respect to such project are used to meet the principal of such temporary notes or whenever the principal of any such temporary notes is retired by application of revenue receipts of the state, the amount of bonds theretofore authorized in anticipation of which such temporary notes were issued, and the aggregate amount of bonds which may be authorized pursuant to section 296 of this act shall each be reduced by the amount of the principal so met or retired. Pending use of the federal, private or other moneys so received to meet the principal as directed in this section, the amount thereof may be invested by the State Treasurer in bonds or obligations of, or guaranteed by, the state or the United States or agencies or instrumentalities of the United States, shall be deemed to be part of the debt retirement funds of the state, and net earnings on such investments shall be used in the same

manner as the moneys so invested.

Sec. 301. (*Effective July 1, 2026*) The bonds issued pursuant to sections 296 to 303, inclusive, of this act shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 302. (*Effective July 1, 2026*) In accordance with section 297 of this act, the state, through the state agencies specified in said section 297, may provide grants-in-aid and other financings to or for the agencies for the purposes and projects as described in said section 297. All financing shall be made in accordance with the terms of a contract at such time or times as shall be determined within authorization of funds by the State Bond Commission.

Sec. 303. (*Effective July 1, 2026*) In the case of any grant-in-aid made pursuant to subsection (a), (b) or (c) of section 297 of this act that is made to any entity which is not a political subdivision of the state, the contract entered into pursuant to section 297 of this act shall provide that if the premises for which such grant-in-aid was made ceases, within ten years of the date of such grant, to be used as a facility for which such grant was made, an amount equal to the amount of such grant, minus ten per cent per year for each full year which has elapsed since the date of such grant, shall be repaid to the state and that a lien shall be placed on such land in favor of the state to ensure that such amount shall be repaid in the event of such change in use, provided if the premises for which such grant-in-aid was made are owned by the state, a municipality or a housing authority, no lien need be placed.

Sec. 304. Section 10-287d of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

For the purposes of funding (1) grants to projects that have received approval of the Department of Administrative Services pursuant to section 10-287, subsection (a) of section 10-65 and section 10-76e, and (2) grants to assist school building projects to remedy safety and health violations and damage from fire and catastrophe, the State Treasurer is authorized and directed, subject to and in accordance with the provisions of section 3-20, to issue bonds of the state from time to time in one or more series in an aggregate amount not exceeding **[**fourteen billion nine hundred sixty-two million one hundred sixty thousand dollars, provided five hundred fifty million dollars of said authorization shall be effective July 1, 2026**]** fifteen billion twelve million one hundred sixty thousand dollars. Bonds of each series shall bear such date or dates and mature at such time or times not exceeding thirty years from their respective dates and be subject to such redemption privileges, with or without premium, as may be fixed by the State Bond Commission. They shall be sold at not less than par and accrued interest and the full faith and credit of the state is pledged for the payment of the interest thereon and the principal thereof as the same shall become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due. The State Treasurer is authorized to invest temporarily in direct obligations of the United States, United States agency obligations, certificates of deposit, commercial paper or bank acceptances such portion of the proceeds of such bonds or of any notes issued in anticipation thereof as may be deemed available for such purpose.

Sec. 305. Section 10a-110n of the general statutes is repealed. (*Effective*

July 1, 2026)

Sec. 306. Subdivision (10) of subsection (a) of section 10a-109d of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(10) To borrow money and issue securities to finance the acquisition, construction, reconstruction, improvement or equipping of any one project, or more than one, or any combination of projects, or to make loans or provide grants from the proceeds of such securities to any subsidiary or joint venture established pursuant to The University of Connecticut Health Center Joint Venture Initiative, or to refund securities issued after June 7, 1995, or to refund any such refunding securities or for any one, or more than one, or all of those purposes, or any combination of those purposes, and to provide for the security and payment of those securities and for the rights of the holders of them, except that the amount of any such borrowing, the special debt service requirements for which are secured by the state debt service commitment, exclusive of the amount of borrowing to refund securities, or to fund issuance costs or necessary reserves, may not exceed the aggregate principal amount of (A) for the fiscal years ending June 30, 1996, to June 30, 2005, inclusive, one billion twelve million dollars, (B) for the fiscal years ending June 30, 2006, to June 30, 2031, inclusive, **[**four billion three hundred two million nine hundred thousand**]** four billion five hundred fifty-three million dollars, and (C) such additional amount or amounts: (i) Required from time to time to fund any special capital reserve fund or other debt service reserve fund in accordance with the financing transaction proceedings, and (ii) to pay or provide for the costs of issuance and capitalized interest, if any; the aggregate amounts of subparagraphs (A), (B) and (C) of this subdivision are established as the authorized funding amount, and no borrowing within the authorized funding amount for a project or projects may be effected unless the project or projects are included in accordance with subsection

(a) of section 10a-109e;

Sec. 307. Subsection (a) of section 10a-109e of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) The university may administer, manage, schedule, finance, further design and construct UConn 2000, to operate and maintain the components thereof in a prudent and economical manner and to reserve for and make renewals and replacements thereof when appropriate, it being hereby determined and found to be in the best interest of the state and the university to provide this independent authority to the university along with providing assured revenues therefor as the efficient and cost effective course to achieve the objective of avoiding further decline in the physical infrastructure of the university and to renew, modernize, enhance and maintain such infrastructure, the particular project or projects, each being hereby approved as a project of UConn 2000, and the presently estimated cost thereof being as follows:

UConn 2000 Project	Phase I Fiscal Years 1996-1999	Phase II Fiscal Years 2000-2005	Phase III Fiscal Years 2005-2031
Academic and Research Facilities			450,000,000
Agricultural Biotechnology Facility	9,400,000		
Agricultural Biotechnology Facility Completion		10,000,000	
Alumni Quadrant			

Renovations		14,338,000	
Arjona and Monteith (new classroom buildings)			66,100,000
Avery Point Campus Undergraduate and Library Building			35,000,000
Avery Point Marine Science Research Center – Phase I	34,000,000		
Avery Point Marine Science Research Center – Phase II		16,682,000	
Avery Point Renovation		5,600,000	15,000,000
Babbidge Library	0		
Balancing Contingency		5,506,834	
Beach Hall Renovations			10,000,000
Benton State Art Museum Addition		1,400,000	3,000,000
Biobehavioral Complex Replacement			4,000,000
Bishop Renovation			8,000,000

Budds Building Renovation		2,805,000	
Business School Renovation		4,803,000	
Chemistry Building	53,700,000		
Commissary Warehouse			1,000,000
Deferred Maintenance/ Code Compliance/ ADA Compliance/ Infrastructure Improvements & Renovation Lump Sum and Utility, Administrative and Support Facilities	39,332,000		863,500,000
Deferred Maintenance & Renovation Lump Sum Balance		104,668,000	
Digital learning infrastructure improvements at a regional campus			3,000,000
East Campus North Renovations		11,820,000	

Engineering Building (with Environmental Research Institute)			36,700,000
Equine Center		1,000,000	
Equipment, Library Collections & Telecommunications	60,500,000		**[**470,000,000**]** <u>480,000,000</u>
Equipment, Library Collections & Telecommunications Completion		182,118,146	
Family Studies (DRM) Renovation			6,500,000
Farm Buildings Repairs/ Replacement			6,000,000
Fine Arts Phase II			20,000,000
Floriculture Greenhouse			3,000,000
Gant Building Renovations and New Life Sciences Building			403,500,000
Gant Plaza Deck		0	

Gentry Completion			10,000,000
Gentry Renovation		9,299,000	
Grad Dorm Renovations		7,548,000	
Gulley Hall Renovation		1,416,000	
Harry A. Gampel Pavilion and Hugh S. Greer Field House			**[**164,000,000**]** <u>204,000,000</u>
Hartford Relocation Acquisition/Renovation		56,762,020	70,000,000
Hartford Relocation Design	1,500,000		
Hartford Relocation Feasibility Study	500,000		
Heating Plant Upgrade	10,000,000		
Hilltop Dormitory New		30,000,000	
Hilltop Dormitory Renovations		3,141,000	
Ice Rink Enclosure	2,616,000		
Incubator Facilities			10,000,000

International House Conversion		800,000	
Intramural, Recreational and Intercollegiate Facilities			31,000,000
Jorgensen Renovation			7,200,000
Koons Hall Renovation/ Addition			7,000,000
Lakeside Renovation			3,800,000
Lab renovations and equipment			20,000,000
Law School Renovations/ Improvements			15,000,000
Library Storage Facility			5,000,000
Litchfield Agricultural Center – Phase I	1,000,000		
Litchfield Agricultural Center – Phase II		700,000	
Manchester Hall Renovation			6,000,000
Mansfield Apartments			

Renovation	2,612,000		
Mansfield Training School Improvements		27,614,000	29,000,000
Natural History Museum Completion			4,900,000
North Campus Renovation	2,654,000		
North Campus Renovation Completion		21,049,000	
North Hillside Road Completion			11,500,000
North Superblock Site and Utilities	8,000,000		
Northwest Quadrant Renovation	2,001,000		
Northwest Quadrant Renovation		15,874,000	
Observatory			1,000,000
Old Central Warehouse			18,000,000
Parking Garage #3			78,000,000
Parking Garage – North	10,000,000		

Parking Garage – South		15,000,000	
Pedestrian Spinepath		2,556,000	
Pedestrian Walkways		3,233,000	
Program to recruit eminent faculty and research staff established pursuant to section 10a-104c			46,100,000
Psychology Building Renovation/Addition			20,000,000
Residential Life Facilities			162,000,000
Roadways		10,000,000	
School of Business	20,000,000		
School of Pharmacy/ Biology	3,856,000		
School of Pharmacy/ Biology Completion		61,058,000	
Shippee/Buckley Renovations		6,156,000	
Social Science K Building		20,964,000	

South Campus Complex	13,127,000		
Stamford Campus Improvements/Housing			13,000,000
Stamford Downtown Relocation – Phase I	45,659,000		
Stamford Downtown Relocation – Phase II		17,392,000	
Storrs Hall Addition			4,300,000
Student Health Services			12,000,000
Student Union Addition		23,000,000	
Support Facility (Architectural and Engineering Services)			2,000,000
Technology Quadrant – Phase IA	38,000,000		
Technology Quadrant – Phase IB		16,611,000	
Technology Quadrant – Phase II		72,000,000	
Technology Quadrant – Phase III		15,000,000	

Torrey Life Science Renovation and Demolition		17,000,000	25,000,000
Torrey Renovation Completion and Biology Expansion			42,000,000
Torrington Campus Improvements			1,000,000
Towers Renovation		17,794,000	
UConn Products Store			1,000,000
Undergraduate Education Center	650,000		
Undergraduate Education Center		7,450,000	
Underground Steam & Water Upgrade	3,500,000		
Underground Steam & Water Upgrade Completion		9,000,000	
University Programs Building – Phase I	8,750,000		
University Programs			

Building – Phase II Visitors Center		300,000	
Waring Building Conversion	7,888,000		
Waterbury Downtown Campus			3,000,000
Waterbury Property Purchase	325,000		
West Campus Renovations		14,897,000	
West Hartford Campus Renovations/ Improvements			25,000,000
White Building Renovation	2,430,000		
Wilbur Cross Building Renovation		3,645,000	
Young Building Renovation/Addition			17,000,000
HEALTH CENTER			
CLAC Renovation Biosafety Level 3 Lab			14,000,000
Deferred maintenance, code			

compliance and infrastructure improvements	90,000,000
Deferred Maintenance/ Code Compliance/ADA Compliance/Infrastructure & Improvements Renovation Lump Sum and Utility, Administrative and Support Facilities – Health Center	86,000,000
Dental School Renovation	5,000,000
Equipment, Library Collections and Telecommunications – Health Center	[75,000,000] 110,000,000
Library/Student Computer Center Renovation	5,000,000
Main Building Renovation	125,000,000
Medical School Academic Building Renovation	9,000,000
Parking Garage – Health Center	8,400,000

Research Tower			60,000,000
Support Building Addition/Renovation			4,000,000
<u>System telecommunications infrastructure upgrades, improvements and expansions</u>			<u>6,000,000</u>
The University of Connecticut Health Center New Construction and Renovation			394,900,000
Planning and Design Costs			25,000,000
The University of Connecticut Health Center Joint Venture Initiative			390,000,000
Total – Storrs and Regional Campus Project List			**[**3,200,000,000**]** <u>3,319,100,000</u>
Total – Health Center Project List			**[**1,201,300,000**]** <u>1,332,300,000</u>
TOTAL	382,000,000	868,000,000	**[**4,401,300,000**]** <u>4,651,400,000</u>

Sec. 308. Subdivision (1) of subsection (a) of section 10a-109g of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) (1) The university is authorized to provide by resolution, at one time or from time to time, for the issuance and sale of securities, in its own name on behalf of the state, pursuant to section 10a-109f. The board of trustees of the university is hereby authorized by such resolution to delegate to its finance committee such matters as it may determine appropriate other than the authorization and maximum amount of the securities to be issued, the nature of the obligation of the securities as established pursuant to subsection (c) of this section and the projects for which the proceeds are to be used. The finance committee may act on such matters unless and until the board of trustees elects to reassume the same. The amount of securities the special debt service requirements of which are secured by the state debt service commitment that the board of trustees is authorized to provide for the issuance and sale in accordance with this subsection shall be capped in each fiscal year in the following amounts, provided, to the extent the board of trustees does not provide for the issuance of all or a portion of such amount in a fiscal year, all or such portion, as the case may be, may be carried forward to any succeeding fiscal year and provided further, the actual amount for funding, paying or providing for the items described in subparagraph (C) of subdivision (10) of subsection (a) of section 10a-109d may be added to the capped amount in each fiscal year:

Fiscal Year	Amount
1996	$112,542,000
1997	112,001,000
1998	93,146,000
1999	64,311,000
2000	130,000,000

2001	100,000,000
2002	100,000,000
2003	100,000,000
2004	100,000,000
2005	100,000,000
2006	79,000,000
2007	89,000,000
2008	115,000,000
2009	140,000,000
2010	0
2011	138,800,000
2012	157,200,000
2013	143,000,000
2014	204,400,000
2015	315,500,000
2016	312,100,000
2017	240,400,000
2018	200,000,000
2019	200,000,000
2020	197,200,000
2021	260,000,000
2022	215,500,000
2023	125,100,000
2024	84,700,000
2025	122,000,000
2026	276,000,000
2027	**[**192,000,000**]** 442,100,000
2028	158,500,000
2029	156,500,000
2030	156,000,000
2031	25,000,000

Sec. 309. Subdivision (3) of subsection (c) of section 9 of public act 12-189, as amended by section 102 of public act 13-239, section 212 of public act 15-1 of the June special session and section 157 of public act 16-4 of the May special session, is amended to read as follows (*Effective July 1, 2026*):

(3) For the Department of Housing: Grant-in-aid to the Connecticut Housing Finance Authority for the purposes of sections 8-265cc to 8-265ii, inclusive, and section 8-265kk of the general statutes, and to capitalize down payment assistance issued under the homeownership loan program established pursuant to sections 8-283 to 8-289, inclusive, of the general statutes, not exceeding $38,000,000.

Sec. 310. Section 306 of public act 22-118, as amended by section 83 of public act 23-205, is amended to read as follows (*Effective July 1, 2026*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 307 to 312, inclusive, of public act 22-118, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate not exceeding **[**$135,800,000**]** $60,800,000.

Sec. 311. Subsection (b) of section 307 of public act 22-118, as amended by section 84 of public act 23-205, is repealed. (*Effective July 1, 2026*)

Sec. 312. Subdivision (2) of subsection (c) of section 314 of public act 22-118 is amended to read as follows (*Effective July 1, 2026*):

(2) Grants-in-aid to support food systems or food resource organizations for capital improvements, not exceeding $10,000,000.

Sec. 313. Subdivision (1) of subsection (d) of section 314 of public act 22-118, as amended by section 86 of public act 23-205, is amended to read as follows (*Effective July 1, 2026*):

(1) Grants-in-aid to provide **[**matching**]** a portion of the funds necessary for municipalities, local and regional boards of education and school bus operators to **[**submit federal grant applications in order to**]** maximize federal, state or other sources of funding or financing for the purchase or lease of zero-emission school buses and electric vehicle charging or fueling infrastructure, not exceeding $20,000,000;

Sec. 314. Section 1 of public act 23-205, as amended by section 103 of public act 25-174, is amended to read as follows (*Effective July 1, 2026*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 2 to 7, inclusive, of public act 23-205, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate not exceeding **[**$741,290,000**]** $745,890,000.

Sec. 315. Subdivision (3) of subsection (d) of section 2 of public act 23-205 is amended to read as follows (*Effective July 1, 2026*):

(3) Upgrades and modernization of the Capital Area System, including, but not limited to, planning, engineering and feasibility studies to support system decarbonization, including thermal energy network implementation and geothermal resource exploration, not exceeding $19,000,000;

Sec. 316. Subsection (j) of section 2 of public act 23-205 is amended to read as follows (*Effective July 1, 2026*):

(j) For the Office of the Chief Medical Examiner: For design, alteration, renovation, additions and construction of facilities for the Office of the Chief Medical Examiner, including land acquisition, not exceeding **[**$28,000,000**]** $62,600,000.

Sec. 317. Subdivision (1) of subsection (n) of section 2 of public act 23-205 is repealed. (*Effective July 1, 2026*)

Sec. 318. Subdivision (5) of subsection (c) of section 13 of public act 23-205 is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(5) Grants-in-aid to provide **[**matching**]** a portion of the funds necessary for municipalities, local and regional boards of education and school bus operators to **[**submit federal grant applications in order to**]** maximize federal, state or other sources of funding or financing for the purchase or lease of zero-emission school buses and electric vehicle charging or fueling infrastructure, not exceeding $10,000,000;

Sec. 319. Subdivision (2) of subsection (e) of section 13 of public act 23-205 is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(2) Grants-in-aid to local and regional boards of education and municipalities for the purchase, installation and maintenance of water bottle filling stations and automated external defibrillators at schools designated to receive services pursuant to Title I of the Federal Elementary and Secondary Education Act and at buildings owned or leased by a municipality, not exceeding $3,500,000.

Sec. 320. Section 20 of public act 23-205, as amended by section 46 of public act 24-151, is amended to read as follows (*Effective July 1, 2026*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 21 to 26, inclusive, of public act 23-205, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate not exceeding **[**$514,345,000**]** $484,345,000.

Sec. 321. Subdivision (1) of subsection (k) of section 21 of public act 23-205 is repealed. (*Effective July 1, 2026*)

Sec. 322. Subdivision (5) of subsection (b) of section 32 of public act

23-205 is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(5) Grants-in-aid to provide **[**matching**]** a portion of the funds necessary for municipalities, local and regional boards of education and school bus operators to **[**submit federal grant applications in order to**]** maximize federal, state or other sources of funding for the purchase or lease of zero-emission school buses and electric vehicle charging or fueling infrastructure, not exceeding $10,000,000;

Sec. 323. Subsections (a) and (b) of section 92 of public act 23-205, as amended by section 106 of public act 25-174, are amended to read as follows (*Effective July 1, 2026*):

(a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate **[**ninety**]** one hundred fifteen million dollars.

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Connecticut Municipal Redevelopment Authority for the purpose of capitalization.

Sec. 324. Subsection (b) of section 99 of public act 23-205 is amended to read as follows (*Effective July 1, 2026*):

(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the **[**Connecticut Higher Education Supplemental Loan Authority**]** Office of Higher Education for the purpose of a **[**nursing student loan subsidy**]** Department of Correction nurse and social worker student loan reimbursement program.

Sec. 325. Section 1 of public act 25-174 is amended to read as follows

(*Effective July 1, 2026*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 2 to 7, inclusive, of **[**this act**]** public act 25-174, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding **[**$787,405,019**]** $906,405,019.

Sec. 326. Subdivision (3) of subsection (n) of section 2 of public act 25-174 is amended to read as follows (*Effective July 1, 2026*):

(3) For the design and construction of a new Windham Technical High School, not exceeding **[**$113,705,019**]** $263,705,019.

Sec. 327. Subsection (o) of section 2 of public act 25-174 is repealed. (*Effective July 1, 2026*)

Sec. 328. Subdivision (2) of subsection (t) of section 2 of public act 25-174 is repealed. (*Effective July 1, 2026*)

Sec. 329. Subdivision (8) of subsection (b) of section 13 of public act 25-174 is amended to read as follows (*Effective July 1, 2026*):

(8) Grants-in-aid to municipalities **[**for renovations and expansion of, and equipment for, solid waste facilities**]** to support solid waste reduction strategies, not exceeding $15,000,000.

Sec. 330. Section 20 of public act 25-174 is amended to read as follows (*Effective July 1, 2026*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 21 to 26, inclusive, of **[**this act**]** public act 25-174, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding **[**$552,500,000**]** $546,500,000.

Sec. 331. Subdivision (2) of subsection (c) of section 21 of public act 25-174 is amended to read as follows (*Effective July 1, 2026*):

(2) For the purchase of equipment, minor improvements and other associated costs for a new data center, not exceeding **[**$16,000,000**]** $48,000,000;

Sec. 332. Subsection (i) of section 21 of public act 25-174 is amended to read as follows (*Effective July 1, 2026*):

(i) For the Department of Developmental Services: Fire, safety and environmental improvements to regional facilities and intermediate care facilities for client and staff needs, including improvements in compliance with current codes, site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning and other interior and exterior building renovations and additions at all state-owned facilities, not exceeding **[**$7,000,000**]** $12,000,000.

Sec. 333. Subsection (l) of section 21 of public act 25-174 is repealed. (*Effective July 1, 2026*)

Sec. 334. Section 45 of public act 25-174 is amended to read as follows (*Effective July 1, 2026*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 46 to 50, inclusive, of **[**this act**]** public act 25-174, from time to time to authorize the issuance of special tax obligation bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding **[**$1,580,954,214**]** $1,589,954,214.

Sec. 335. Subsection (c) of section 46 of public act 25-174 is amended to read as follows (*Effective July 1, 2026*):

(c) For the Bureau of Administration: Department facilities, not exceeding **[**$127,060,000**]** $136,060,000.

Sec. 336. Section 55 of public act 25-174 is amended to read as follows (*Effective July 1, 2026*):

(a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate three hundred million dollars, provided one hundred **[**fifty**]** fifty-two million dollars of said authorization shall be effective July 1, 2026.

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Office of Policy and Management for grants-in-aid to municipalities for the purposes set forth in subsection (a) of section 13a-175a of the general statutes, as amended by **[**this act**]** public act 25-174, for the fiscal years ending June 30, 2026, and June 30, 2027. Such grant payments shall be made annually as follows:

Municipalities	FY 2026	FY 2027
Andover	2,620	2,620
Ansonia	85,419	85,419
Ashford	3,582	3,582
Avon	261,442	261,442
Barkhamsted	41,462	41,462
Beacon Falls	43,809	43,809
Berlin	1,593,642	1,593,642
Bethany	67,229	67,229
Bethel	282,660	282,660
Bethlehem	7,945	7,945
Bloomfield	3,201,687	3,201,687
Bolton	24,859	24,859
Bozrah	138,521	138,521
Branford	374,850	374,850
Bridgeport	13,531,564	13,531,564
Bridgewater	587	587
Bristol	4,856,624	4,856,624

Brookfield	118,281	118,281
Brooklyn	10,379	10,379
Burlington	15,300	15,300
Canaan	20,712	20,712
Canterbury	2,022	2,022
Canton	7,994	7,994
Chaplin	601	601
Cheshire	736,700	736,700
Chester	89,264	89,264
Clinton	191,674	191,674
Colchester	39,009	39,009
Colebrook	550	550
Columbia	26,763	26,763
Cornwall	-	-
Coventry	10,533	10,533
Cromwell	31,099	31,099
Danbury	15,027,544	15,027,544
Darien	-	-
Deep River	104,136	104,136
Derby	14,728	14,728
Durham	153,897	153,897
East Granby	1,096,577	1,096,577
East Haddam	1,696	1,696
East Hampton	18,943	18,943
East Hartford	8,052,926	8,052,926
East Haven	43,500	43,500
East Lyme	22,442	22,442
East Windsor	295,024	295,024
Eastford	54,564	54,564
Easton	2,660	2,660
Ellington	223,527	223,527
Enfield	256,875	256,875
Essex	74,547	74,547
Fairfield	96,747	96,747
Farmington	545,804	545,804
Franklin	23,080	23,080
Glastonbury	240,799	240,799
Goshen	2,648	2,648
Granby	35,332	35,332

Greenwich	89,022	89,022
Griswold	31,895	31,895
Groton (Town of)	2,362,532	2,362,532
Guilford	64,848	64,848
Haddam	3,554	3,554
Hamden	286,689	286,689
Hampton	-	-
Hartford	9,419,161	9,419,161
Hartland	955	955
Harwinton	21,506	21,506
Hebron	2,216	2,216
Kent	-	-
Killingly	1,228,578	1,228,578
Killingworth	5,148	5,148
Lebanon	30,427	30,427
Ledyard	421,085	421,085
Lisbon	3,683	3,683
Litchfield	3,432	3,432
Lyme	-	-
Madison	6,795	6,795
Manchester	2,981,068	2,981,068
Mansfield	6,841	6,841
Marlborough	7,313	7,313
Meriden	1,663,015	1,663,015
Middlebury	84,264	84,264
Middlefield	248,652	248,652
Middletown	3,966,295	3,966,295
Milford	2,257,853	2,257,853
Monroe	179,106	179,106
Montville	528,644	528,644
Morris	3,528	3,528
Naugatuck	341,656	341,656
New Britain	2,864,920	2,864,920
New Canaan	200	200
New Fairfield	1,149	1,149
New Hartford	139,174	139,174
New Haven	10,214,643	**[**10,214,643**]** 12,214,643
New London	2,033,169	2,033,169

New Milford	1,298,881	1,298,881
Newington	1,785,740	1,785,740
Newtown	235,371	235,371
Norfolk	7,207	7,207
North Branford	301,074	301,074
North Canaan	359,719	359,719
North Haven	2,249,113	2,249,113
North Stonington	-	-
Norwalk	10,402,915	10,402,915
Norwich	187,132	187,132
Old Lyme	1,888	1,888
Old Saybrook	46,717	46,717
Orange	104,962	104,962
Oxford	84,313	84,313
Plainfield	144,803	144,803
Plainville	541,936	541,936
Plymouth	152,434	152,434
Pomfret	27,820	27,820
Portland	90,840	90,840
Preston	-	-
Prospect	70,942	70,942
Putnam	171,800	171,800
Redding	1,329	1,329
Ridgefield	561,986	561,986
Rocky Hill	221,199	221,199
Roxbury	602	602
Salem	4,699	4,699
Salisbury	83	83
Scotland	7,681	7,681
Seymour	281,186	281,186
Sharon	-	-
Shelton	584,121	584,121
Sherman	-	-
Simsbury	77,648	77,648
Somers	82,324	82,324
South Windsor	2,187,387	2,187,387
Southbury	20,981	20,981
Southington	1,427,348	1,427,348
Sprague	386,528	386,528

Stafford	437,917	437,917
Stamford	1,154,179	1,154,179
Sterling	24,398	24,398
Stonington	100,332	100,332
Stratford	5,784,708	5,784,708
Suffield	180,663	180,663
Thomaston	395,346	395,346
Thompson	76,733	76,733
Tolland	85,064	85,064
Torrington	605,345	605,345
Trumbull	189,309	189,309
Union	-	-
Vernon	151,598	151,598
Voluntown	2,002	2,002
Wallingford	3,481,872	3,481,872
Warren	288	288
Washington	158	158
Waterbury	9,935,497	9,935,497
Waterford	34,255	34,255
Watertown	642,281	642,281
West Hartford	805,784	805,784
West Haven	147,516	147,516
Westbrook	267,405	267,405
Weston	453	453
Westport	-	-
Wethersfield	21,785	21,785
Willington	20,018	20,018
Wilton	842,618	842,618
Winchester	306,204	306,204
Windham	454,575	454,575
Windsor	2,075,052	2,075,052
Windsor Locks	2,784,595	2,784,595
Wolcott	234,916	234,916
Woodbridge	29,920	29,920
Woodbury	56,908	56,908
Woodstock	68,767	68,767
Jewett City (Bor.)	4,195	4,195
Barkhamsted FD	2,500	2,500
Berlin - Kensington FD	11,389	11,389

Berlin - Worthington FD	941	941
Bloomfield Center FD	4,173	4,173
Bloomfield Blue Hills FD	103,086	103,086
Cromwell FD	1,832	1,832
Enfield FD 1	14,636	14,636
Enfield Thompsonville FD 2	3,160	3,160
Enfield Hazardville Fire #3	1,373	1,373
Enfield N Thompsonville FD 4	69	69
Enfield Shaker Pines FD 5	6,403	6,403
Groton City	164,635	164,635
Groton Sewer	1,688	1,688
Groton Old Mystic FD 5	1,695	1,695
Groton Poq. Bridge FD	22,300	22,300
Killingly Attawaugan FD	1,836	1,836
Killingly Dayville FD	42,086	42,086
Killingly Dyer Manor	1,428	1,428
E. Killingly FD	95	95
So. Killingly FD	189	189
Killingly Williamsville FD	6,710	6,710
Middletown South FD	207,080	207,080
Middletown Westfield FD	10,801	10,801
Middletown City Fire	33,838	33,838
New Htfd. Village FD #1	7,259	7,259
New Htfd South End FD	10	10
Plainfield Central Village FD	1,466	1,466
Plainfield - Moosup FD	2,174	2,174
Plainfield Plainfield FD	1,959	1,959
Plainfield Wauregan FD	5,136	5,136
Pomfret FD	1,032	1,032
Putnam: E. Putnam FD	10,109	10,109
Simsbury FD	2,638	2,638
Stafford Springs Service Dist.	15,246	15,246
Sterling FD	1,293	1,293
Stonington Mystic FD	600	600
Stonington Old Mystic FD	2,519	2,519
Stonington Pawcatuck FD	5,500	5,500
Stonington Quiambaug FD	72	72
Stonington Wequetequock FD	73	73
Trumbull Center	555	555

Trumbull Long Hill FD	1,105	1,105
Trumbull Nichols FD	3,435	3,435
W. Haven: West Shore FD	34,708	34,708
W. Haven: Allingtown FD	21,515	21,515
West Haven First Ctr FD 1	4,736	4,736
Windsor Wilson FD	214	214
Windsor FD	14	14
Windham First	8,929	8,929
Total	150,000,000	**[**150,000,000**]**
		152,000,000

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, that are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of said bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization which is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 337. Section 132 of public act 25-174 is amended to read as follows (*Effective July 1, 2026*):

Not later than October 1, **[**2025**]** 2026, and **[**quarterly**]** semiannually thereafter until the completion of the construction of the facilities for the Office of the Chief Medical Examiner, the Department of Administrative Services shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding and government administration and elections, concerning the status of the design, alteration, renovation and construction of such facilities.

Sec. 338. Section 134 of public act 25-174 is amended to read as follows (*Effective July 1, 2026*):

Not later than October 1, **[**2025**]** 2026, and **[**quarterly**]** semiannually thereafter, the chancellor of the Connecticut State Colleges and Universities, in consultation with the Commissioner of Early Childhood, shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding, describing the coordination of efforts between the Connecticut State Colleges and Universities and the Office of Early Childhood to construct, improve or equip child care centers on or near college and university campuses in the state.

Sec. 339. Section 135 of public act 25-174 is amended to read as follows (*Effective July 1, 2026*):

On or before January 1, 2027, and biennially thereafter, the Technical Education and Career System shall develop a five-year capital plan for such system and submit such plan, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing **[**committee**]**

committees of the General Assembly having cognizance of matters relating to education and finance, revenue and bonding.

Sec. 340. (NEW) (*Effective from passage*) (a) As used in this section:

(1) "Authority loans" has the same meaning as provided in section 10a-223 of the general statutes; and

(2) "Eligible graduate program" means an advanced academic or professional degree program that is (A) pursued after earning a bachelor's degree, and (B) determined by the Connecticut Higher Education Supplemental Loan Authority to be an eligible program in accordance with subsection (c) of this section.

(b) The Connecticut Higher Education Supplemental Loan Authority shall establish, subject to available funding pursuant to subsection (d) of this section, a Supplemental Graduate Loan Program for the purpose of providing authority loans to students who are enrolled in eligible graduate programs and who meet the eligibility criteria as established by the authority.

(c) The Connecticut Higher Education Supplemental Loan Authority shall determine eligible graduate programs and establish the eligibility criteria and administrative guidelines for the Supplemental Graduate Loan Program in accordance with the authority's written procedures adopted pursuant to subdivision (6) of subsection (f) of section 10a-224 of the general statutes.

(d) The Connecticut Higher Education Supplemental Loan Authority shall maintain a separate, nonlapsing account to hold funds for the Supplemental Graduate Student Loan Program. The account shall contain any moneys required by law to be deposited in the account, including, but not limited to, any state appropriation or proceeds from the sale of state bonds issued for the purpose of the program. Moneys in the account shall be used (1) for the purpose of the program and for

reasonable and necessary expenses for the administration of the program, and (2) for the issuance of authority loans to students enrolled in eligible graduate programs.

Sec. 341. (*Effective from passage*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate thirty million dollars.

(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Connecticut Higher Education Supplemental Loan Authority for the purpose of the Supplemental Graduate Student Loan Program established pursuant to section 340 of this act.

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, that are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section. Temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with section 3-20 of the general statutes and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of such bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization that is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Such bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and

interest on such bonds as the same become due, and accordingly and as part of the contract of the state with the holders of such bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 342. (NEW) (*Effective July 1, 2026*) The Department of Economic and Community Development shall administer a program to provide grants to municipalities and nonprofit providers of human or social services for capital expenditure projects to place or maintain war or veterans' memorials or monuments. The department shall develop eligibility criteria to be used in selecting among applicants for such grants, develop application forms and deadlines and post in a conspicuous location on the department's Internet web site a description of the grant program that includes, but is not limited to, such criteria, forms and deadlines.

Sec. 343. (NEW) (*Effective July 1, 2026*) (a) For the purposes of this section:

(1) "Eligible homeowner" means a person who (A) owns and occupies a residential property in the state as such individual's primary residence, (B) is sixty years of age or older or a person with a disability, and (C) has a household income at or below sixty per cent of the median household income for the area in which such individual resides, as determined by the Commissioner of Aging and Disability Services; and

(2) "Accessibility modification" means physical alteration made to residential property to improve usability, safety and independence for a person who is elderly or a person with a disability.

(b) The Department of Aging and Disability Services, in consultation with the Department of Housing, shall establish an aging-in-place program to provide grants-in-aid to an eligible homeowner for the

purpose of making accessibility modifications that enable such homeowner to remain in such homeowner's primary residence. Any grant awarded under this section shall not exceed ten thousand dollars per eligible homeowner. The Department of Aging and Disability Services shall establish (1) the application form and process for such program, and (2) the criteria for accessibility modifications and for awarding grants.

(c) The Department of Aging and Disability Services may adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to administer the program established pursuant to this section.

Sec. 344. Section 10a-232 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Revenue bonds or notes issued under the provisions of this chapter shall not be deemed to constitute a debt or liability of the state or of any political subdivision thereof or a pledge of the full faith and credit of the state or of any such political subdivision, but shall be payable solely from the revenues and funds herein provided therefor. All such revenue bonds or notes shall contain on the face thereof a statement to the effect that: (1) The state of Connecticut shall not be obligated to pay the same or the interest thereon and (2) the authority shall not be obligated to pay the same or the interest thereon except from revenues of the education loan program or programs or the portion thereof for which they are issued, and that neither the full faith and credit nor the taxing power of the state of Connecticut or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such bonds or notes.

(b) Notwithstanding the foregoing, (1) the constituent units of the state system of higher education may participate in one or more

education loan programs with the authority and may incur indebtedness pursuant to authority loans, and (2) the authority may create and establish one or more reserve funds to be known as special capital reserve funds and may fund such special capital reserve funds with (A) any moneys appropriated and made available by the state for the purposes of such funds, (B) any proceeds of the sale of notes or bonds, to the extent provided in the resolution of the authority authorizing the issuance thereof, (C) any other moneys that may be made available to the authority for the purpose of such funds from any other source or sources, and (D) any surety policy or other similar instrument valued at par and payable or available to be drawn upon on or before any date by which debt service on the bonds secured thereby is required to be paid and issued by a financial institution that, at the time of issuance of such surety policy or similar instrument, is rated "AA" or better by any nationally recognized statistical rating organization and approved by the State Treasurer. The assets held in or credited to any special capital reserve fund established under this section, except as hereinafter provided, shall be used solely for the payment of the principal of notes and bonds of the authority secured by such capital reserve fund as the same become due, the purchase of such notes and bonds of the authority, the payment of interest on such notes and bonds of the authority or the payment of any redemption premium required to be paid when such bonds are redeemed prior to maturity or released by the authority; provided, the authority shall have power to require that moneys in any such fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such funds to less than the maximum amount of principal and interest becoming due by reason of maturity or a required sinking fund installment in any succeeding calendar year on the bonds of the authority then outstanding and secured by such special capital reserve fund, or such lesser amount specified by the authority in its resolution authorizing the issuance of any such bonds, such amount being herein referred to as the "required minimum capital reserve", except for the purpose of paying such

principal of, redemption premium and interest on such bonds of the authority secured by such special capital reserve becoming due and for the payment of which other moneys of the authority are not available. The authority may provide that it shall not issue bonds at any time if the required minimum capital reserve on outstanding bonds secured by a special capital reserve fund and the bonds then to be issued and secured by a special capital reserve fund will exceed the amount of such special capital reserve fund at the time of issuance, unless the authority, at the time of the issuance of such bonds, shall deposit in such special capital reserve fund from the proceeds of the bonds so to be issued, or otherwise, an amount which, together with the amount then in such special capital reserve fund, will be not less than the required minimum capital reserve. The authority may, as part of the contract of the authority with the owners of such bonds, provide that on or before December first, annually, there is deemed to be appropriated from the state General Fund such sums, if any, as shall be certified by the chairman of the authority to the Secretary of the Office of Policy and Management and the Treasurer of the state, as necessary to restore each such special capital reserve fund to the amount equal to the required minimum capital reserve of such fund, and such amounts shall be allotted and paid to the authority. For the purpose of evaluation of any such special capital reserve fund, obligations acquired as an investment for any such fund shall be valued at amortized cost. Nothing contained in this section shall preclude the authority from establishing and creating other debt service reserve funds in connection with the issuance of bonds or notes of the authority. Subject to any agreement or agreements with owners of outstanding notes and bonds of the authority, any amount or amounts allotted and paid to the authority pursuant to this section shall be repaid to the state from moneys of the authority at such time as such moneys are not required for any other of its corporate purposes and in any event shall be repaid to the state on the date one year after all bonds and notes of the authority theretofore issued on the date or dates such amount or amounts are allotted and

paid to the authority or thereafter issued, together with interest on such bonds and notes, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the owners thereof, are fully met and discharged. Notwithstanding any other provisions contained in this chapter, the aggregate amount of bonds outstanding at any time secured by such special capital reserve funds authorized to be created and established by this section shall not exceed **[**three**]** seven hundred fifty million dollars and no such bonds shall be issued to pay program costs unless the authority is of the opinion and determines that the revenues to be derived from the program shall be sufficient (i) to pay the principal of and interest on the bonds issued to finance the program, (ii) to establish, increase and maintain any reserves deemed by the authority to be advisable to secure the payment of the principal of and interest on such bonds, (iii) to pay the cost of maintaining and servicing the program and keeping it properly insured, and (iv) to pay such other costs of the program as may be required.

Sec. 345. Subdivision (2) of section 8-265ccc of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(2) The loan shall (A) be secured by a mortgage deed on the eligible borrower's residential buildings and all related improvements under development by the eligible borrower, (B) be made in accordance with the eligible financial institution's underwriting policy and standards, except that the loan may have a loan-to-value ratio in excess of typical underwriting standards, and (C) bear interest at a rate that does not exceed the **[**applicable**]** prime rate **[**of the Federal Home Loan Bank of Boston for short-term or long-term advances through the New England Fund program. For the purposes of this subdivision, "applicable rate" means the New England Fund rate that (i) is**]** published **[**on the Internet web site of the Federal Home Loan Bank of Boston**]** by The Wall Street

Journal as of the date the interest rate is locked in by the eligible borrower and eligible financial institution. **[**, and (ii) has an advance term that most closely corresponds to the term of the loan being made by the participating eligible financial institution.**]**

Sec. 346. Section 8-265eee of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

Under the program administered by the authority pursuant to subsection (a) of section 8-265bbb, the authority may, within available resources allocated by the State Bond Commission, make loans or issue grants-in-aid to eligible borrowers that are in addition to the loans made to such eligible borrowers by eligible financial institutions pursuant to section 8-265ccc. The loans made by the authority (1) may be (A) amortizing, (B) deferred, or (C) forgivable as to principal and interest, and (2) shall be **[**(1)**]** (A) subordinate to the loans made by eligible financial institutions, and **[**(2)**]** (B) subject to such terms as the authority may establish, including, but not limited to, loan amounts, interest rates and terms to maturity. The grants-in-aid issued by the authority shall be subject to such terms as the authority may establish.

Sec. 347. Section 13a-175a of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(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 for (1) **[**for**]** the construction, reconstruction, improvement and maintenance of highways, sections of highways, bridges and structures incidental to highways and bridges, 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**]** the purchase and maintenance of equipment used for the purposes described in subdivision (1) of this subsection, including, but not limited to, street sweepers, roadside mowing and vegetation management equipment, snow removal and de-icing equipment and equipment to clean catch basins, (3) 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**]** (4) the purposes of providing and operating essential public transportation services and related facilities.

(b) Notwithstanding the provisions of subsection (a) of this section, the Secretary of the Office of Policy and Management, in the secretary's discretion, may approve the use of funds by a town for purposes other than those enumerated in said subsection.

(c) Not later than September 1, 2022, and annually thereafter, each town or district that received funds pursuant to subsection (a) of this section in the preceding fiscal year shall submit a report to the Commissioner of Transportation, in the form and manner prescribed by the commissioner, detailing the amount of such funds expended in such fiscal year for each of the usages enumerated in said subsection or approved pursuant to subsection (b) of this section.

(d) The Secretary of the Office of Policy and Management shall reduce the grant payable to a town or district in accordance with subsection (a) of this section by ten per cent in any fiscal year that the town or district fails to timely submit the report required by subsection (c) of this section. The secretary shall waive such reduction if the town or district submits such report after the due date and provides proof of such submission to the secretary.

Sec. 348. Section 13b-78 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) As used in this section, unless the context clearly indicates a different meaning or intent:

(1) "Debt service requirements" has the same meaning as provided in section 13b-75;

(2) "Federal program" means any program of financial assistance made by the United States Department of Transportation to the state, including, but not limited to, RRIF, TIFIA or programs established under RRIF or TIFIA;

[(2)**]** (3) "Federal transportation bonds" means one or more special tax obligation bonds authorized to be issued pursuant to subsection (c) of this section;

[(3)**]** (4) "Pledged revenues" has the same meaning as provided in section 13b-75;

[(4)**]** (5) "RRIF" means the Railroad Rehabilitation and Improvement Financing program established by the Transportation Equity Act for the 21st Century, P.L. 105-178, as amended from time to time;

[(5)**]** (6) "RRIF loan agreement" means a loan agreement or other credit agreement by and between the state as the borrower and the United States Department of Transportation as the lender, pursuant to which a loan or other form of financial assistance is made by said department to the state in accordance with RRIF;

[(6)**]** (7) "Special Transportation Fund" means the Special Transportation Fund established pursuant to section 13b-68;

[(7)**]** (8) "State officials" means the Treasurer, the Commissioner of Transportation and the Secretary of the Office of Policy and

Management;

[(8)**]** (9) "TIFIA" means the Transportation Infrastructure Finance and Innovation Act, P.L. 105-178, as amended from time to time; and

[(9)**]** (10) "TIFIA loan agreement" means a loan agreement or other credit agreement by and between the state as the borrower and the United States Department of Transportation as the lender, pursuant to which a loan or other form of financial assistance is made by said department to the state in accordance with TIFIA.

(b) The state, acting through the state officials, may enter into loan agreements or other credit agreements, including, but not limited to, RRIF loan agreements and TIFIA loan agreements, with the United States Department of Transportation. The state officials (1) may execute and deliver any documents, certificates and instruments related to such agreements and the obligations issued thereunder, (2) shall determine the terms, conditions, covenants and other provisions of such agreements in the best interest of the state, and (3) may take all other actions, including, but not limited to, the preparation, execution and submission of loan applications, necessary to enter into such agreements or receive loans or other financial assistance from said department under any federal program.

(c) Special tax obligation bonds may be issued pursuant to sections 13b-74 to 13b-77, inclusive, to evidence and secure loans or other forms of financial assistance made **[**by the United States Department of Transportation**]** to the state under **[**one or more**]** any federal program. **[**programs, including, but not limited to, RRIF or programs established under TIFIA.**]** Such bonds may be secured by a trust indenture by and between the state and a corporate trustee in accordance with the provisions of subsection (g) of section 13b-76.

(d) The debt service requirements and any other obligations with

respect to any federal transportation bonds shall be secured by a lien on the pledged revenues as they are received by the state and credited to the Special Transportation Fund. Such lien shall be subordinate and junior in all respects to every lien on pledged revenues securing any special tax obligation bonds issued pursuant to sections 13b-74 to 13b-77, inclusive, that are not federal transportation bonds.

(e) Whenever the General Assembly authorizes special tax obligation bonds pursuant to any bond act taking effect before, on or after the effective date of this section, such authorization shall be deemed to authorize the issuance of federal transportation bonds. Such federal transportation bonds shall be subject to the requirements, covenants and conditions applicable to special tax obligation bonds as set forth in sections 13b-74 to 13b-77, inclusive, except as otherwise provided in this section.

(f) Notwithstanding the provisions of subsection (o) of section 13b-76, federal transportation bonds may be issued as taxable bonds, whereby the interest on such bonds may be includable in the gross income of the holders or owners of such bonds under the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time.

(g) Notwithstanding the provisions of subsection (b) of section 13b-76, federal transportation bonds issued under any federal program may mature at such time or times as allowable under such federal program but not longer than the useful life of the projects being financed.

Sec. 349. Subsections (b) and (c) of section 32-285a of the 2026 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) (1) There is established a Community Investment Fund 2030 Board, which shall be within the Department of Economic and

Community Development. The board shall consist of the following members:

(A) The speaker of the House of Representatives and the president pro tempore of the Senate;

(B) The majority leader of the House of Representatives, the majority leader of the Senate, the minority leader of the House of Representatives and the minority leader of the Senate;

(C) One appointed by the speaker of the House of Representatives and one appointed by the president pro tempore of the Senate, each of whom shall be a member of the Black and Puerto Rican Caucus of the General Assembly;

(D) The two chairpersons of the general bonding subcommittee of the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding;

(E) Two appointed by the Governor; and

(F) The Secretary of the Office of Policy and Management, the Attorney General, the Treasurer, the Comptroller, the Secretary of the State and the Commissioners of Economic and Community Development, Administrative Services, Social Services and Housing, or their designees.

(2) All initial appointments shall be made not later than sixty days after June 30, 2021. The terms of the members appointed by the Governor shall be coterminous with the term of the Governor or until their successors are appointed, whichever is later. Any vacancy in appointments shall be filled by the appointing authority. Any vacancy occurring other than by expiration of term shall be filled for the balance of the unexpired term.

(3) Notwithstanding any provision of the general statutes, it shall not constitute a conflict of interest for a trustee, director, partner, officer, stockholder, proprietor, counsel or employee of any person to serve as a member of the board, provided such trustee, director, partner, officer, stockholder, proprietor, counsel or employee abstains and absents himself or herself from any deliberation, action and vote by the board in specific respect to such person. The members appointed by the Governor shall be deemed public officials and shall adhere to the code of ethics for public officials set forth in chapter 10.

(4) The speaker of the House of Representatives and the president pro tempore of the Senate shall serve as the chairpersons of the board and shall schedule the first meeting of the board, which shall be held not later than January 1, 2022. The board shall meet at least quarterly.

(5) Any member of the board serving pursuant to subparagraphs (A) to (E), inclusive, of subdivision (1) of this subsection who is unable to attend a meeting may, by notifying the administrator in writing, designate another person to act as a proxy in such member's absence.

[(5)**]** (6) Eleven members of the board shall constitute a quorum for the transaction of any business.

[(6)**]** (7) The members of the board shall serve without compensation, but shall, within the limits of available funds, be reimbursed for expenses necessarily incurred in the performance of their duties.

[(7)**]** (8) The board shall have the following powers and duties: (A) To review eligible projects to be recommended to the Governor under subsection (c) of this section for approval; (B) to establish bylaws to govern its procedures; (C) to review and provide comments to the Department of Economic and Community Development on projects funded through the state's Economic Action Plan as provided under section 32-4p; and (D) to perform such other acts as may be necessary

and appropriate to carry out its duties described in this section.

[(8)**]** (9) The administrator shall hire such employee or employees as may be necessary to assist the board to carry out its duties described in this section.

(c) (1) The Community Investment Fund 2030 Board shall establish an application and review process with guidelines and terms for funds provided from the bond proceeds under subsection (d) of this section for eligible projects. Such funds shall be used for costs related to an eligible project recommended by the board and approved by the Governor pursuant to this subsection but shall not be used to pay or to reimburse the administrator for administrative costs under this section. The Department of Economic and Community Development shall pay for administrative costs within available appropriations.

(2) The chairpersons of the board shall notify the chief elected official of each municipality when the application and review process has been established and shall publicize the availability of any funds available under this section. Each such official or any community development corporation or nonprofit organization may submit an application to the board requesting funds for an eligible project. The board shall meet to consider applications submitted and determine which, if any, the board will recommend to the Governor for approval.

(3) (A) The board shall give priority to eligible projects (i) that are proposed by a municipality that (I) has implemented local hiring preferences pursuant to section 7-112, or (II) has or will leverage municipal, private, philanthropic or federal funds for such project, (ii) that have a project labor agreement or employ or will employ ex-offenders or individuals with physical, intellectual or developmental disabilities, and (iii) on and after the date the ten-year plan developed under section 32-7z is submitted to the General Assembly, that are included in such plan. The board shall give additional priority to an

application submitted by a municipality that includes a letter of support for the proposed eligible project from a member or members of the General Assembly in whose district the eligible project is or will be located.

(B) In evaluating applications for an eligible project described in subparagraph (A)(ii) of subdivision (3) of subsection (a) of this section, the board shall (i) consider the impact of the eligible project on job creation or retention in the municipality, (ii) consider the impact of the eligible project on blighted properties in the municipality, and (iii) consider the overall impact of the eligible project on the community.

(4) (A) Whenever the board deems it necessary or desirable, the chairpersons of the board shall submit to the Governor a list of the board's recommendations of eligible projects to be funded from bond proceeds under subsection (d) of this section. The board may recommend state funding for eligible projects, provided the total cost of such recommendations shall not exceed **[**one hundred seventy-five million dollars**]** the funds available in any fiscal year. Such list shall include, at a minimum for each eligible project described in subparagraph (A) of subdivision (3) of subsection (a) of this section, a description of such project, the municipality in which such project is located, the amount of funds sought for such project, any cost estimates for such project, any schematics or plans for such project, the total estimated project costs and the applicable fiscal year to which such disbursement will be attributed.

(B) The Governor shall review the eligible projects on the list and may recommend changes to any eligible project on the list. The Governor shall determine the most appropriate method of funding for each eligible project and shall provide to the members of the board, in writing, such determination for each eligible project on the list and the reasons therefor. The board may reconsider at a future meeting any eligible project for which the Governor recommends a change. Each

eligible project for which the Governor recommends the allocation of bond funds shall be considered at a State Bond Commission meeting not later than two months after the date such eligible project was submitted to the Governor pursuant to subparagraph (A) of this subdivision.

(5) Funds for an eligible project approved under this section may be administered on behalf of the board by a state agency, as determined by the Secretary of the Office of Policy and Management, provided a memorandum of understanding between the administrator of the Community Investment Fund 2030 Board and the state, acting by and through the Secretary of the Office of Policy and Management, has been entered into with respect to such funds and project.

(6) Not later than October 15, 2025, the board shall submit a report, in accordance with the provisions of section 11-4a, to the General Assembly, the Black and Puerto Rican caucus of the General Assembly, the Auditors of Public Accounts and the Governor, for the preceding fiscal year, that includes (A) a list of the eligible projects recommended by the board and approved by the Governor pursuant to this section, (B) the total amount of funds provided for such eligible projects, (C) for each such eligible project, a description of the project and the amounts and terms of the funds provided, (D) the status of the project and any balance remaining of the allocated funds, and (E) any other information the board deems relevant or necessary. The board shall submit such report annually for each fiscal year in which the funds specified in subparagraph (A) of subdivision (3) of this subsection are disbursed for eligible projects.

(7) The Auditors of Public Accounts shall audit, on a biennial basis, all eligible projects funded under this section and shall report their findings to the Governor, the Secretary of the Office of Policy and Management and the General Assembly.

Sec. 350. Section 32-7x of the general statutes is repealed and the

following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) As used in this section, (1) "concentrated poverty census tract" means a United States census tract in which thirty per cent or more of the households within such census tract have incomes below the federal poverty level, according to the most recent five-year United States Census Bureau American Community Survey, and (2) "certified community development corporation" has the same meaning as provided in section 32-7s.

(b) The Secretary of the Office of Policy and Management shall compile a list of concentrated poverty census tracts in the state and the municipalities in which such census tracts are located and shall, not later than July 31, 2023, submit such list to the General Assembly in accordance with the provisions of section 11-4a. The secretary shall post such list to the Internet web site of the Office of Policy and Management and shall review and update such list as necessary. Whenever the secretary updates such list, the secretary shall submit such updated list to the General Assembly in accordance with the provisions of section 11-4a.

(c) (1) The Commissioner of Economic and Community Development shall establish a grant program to fund eligible projects within concentrated poverty census tracts, or undertaken by a certified community development corporation. An eligible project shall seek to reduce concentrated poverty within such tracts and the effects of such poverty, including, but not limited to, the lower lifetime income of residents within such tracts, the lower lifetime income expectations of future generations within such tracts, increased crime and risk of incarceration for residents within such tracts and educational deficiencies within such tracts. An eligible project includes:

(A) Construction, renovation or rehabilitation of mixed-income rental housing and owner-occupied housing, in order to retain individuals and

families of different income levels and to increase the percentage of owner-occupied housing within such census tract or tracts;

(B) The establishment or improvement of workforce development programs, including, but not limited to, programs that partner with organizations to identify unemployed or underemployed individuals and at-risk youth residing in such census tracts, identify workforce training opportunities and other resources for such individuals and link such individuals with the appropriate training and resources that will increase the skills and earning potential of such individuals; and

(C) Construction, renovation or rehabilitation of public infrastructure, in order to support and improve the private investment opportunities, quality of life and public safety within such census tract or tracts.

(2) Beginning on January 1, 2024, and not later than January 1, 2030, each municipality in which a concentrated poverty census tract is located may apply to the commissioner, in a form and manner prescribed by the commissioner, to receive a grant for an eligible project or any combination of eligible projects. An application may target one concentrated poverty census tract or more than one such census tract if such census tracts are geographically contiguous or within reasonable proximity of each other. An applicant shall not be prohibited from filing more than one application for different concentrated poverty census tracts or groups of such census tracts.

(3) Beginning on July 1, 2026, and not later than January 1, 2030, a certified community development corporation may apply to the commissioner, in a form and manner prescribed by the commissioner, to receive a grant for an eligible project or any combination of eligible projects undertaken by such certified community development corporation.

(d) (1) Not later than January 1, 2024, the commissioner shall establish criteria for the awarding of grants as described in subdivision (2) of this subsection, requirements for documents and information as described in subdivision (4) of this subsection and deadlines for submitting applications and revised and modified applications under subsection (e) of this section. The commissioner shall post such criteria, requirements and deadlines on the Internet web site of the Department of Economic and Community Development, notify each certified community development corporation and municipality in which a concentrated poverty census tract is located of such posting and promote the availability of the grant program established by this section in each such census tract.

(2) Criteria for the awarding of grants pursuant to this section shall include, but need not be limited to:

(A) The likelihood that a proposal will reduce adult or child poverty within a concentrated poverty census tract;

(B) The likelihood that a proposal will reduce the likelihood that children currently residing within a concentrated poverty census tract will live in poverty after reaching adulthood;

(C) The likelihood that a proposal will produce persistent and meaningful improvements in residents' wealth, financial security, employability or quality of life beyond the duration of the proposal;

(D) The feasibility of the initiatives in a proposal and the demonstrated or perceived capacity to execute upon the scope of work in a proposal, including, but not limited to, adequate staffing levels of entities involved with the proposal; and

(E) The interconnectivity and mutual reinforcement among all proposed initiatives in the same concentrated poverty census tract area or areas, such as providing workforce training programs to parents of

children enrolled in a supported early childhood program.

(3) On and after the date the ten-year plan developed under section 32-7z is submitted to the General Assembly, priority shall be given to projects included in such plan.

(4) Requirements for documents and information to be submitted by municipalities to evaluate applications shall include, but need not be limited to:

(A) A description of how the proposal intends to address each type of eligible project described in subparagraphs (A) to (C), inclusive, of subdivision (1) of subsection (c) of this section, and whether there are existing projects or programs to address such eligible projects;

(B) A description of each initiative within the proposal, which may include multiple simultaneous initiatives, and how each initiative will meet one of the criteria established pursuant to subdivision (2) of this subsection;

(C) A description of sufficient efforts, as determined by the commissioner, to engage residents of the concentrated poverty census tract in formulating a proposal;

(D) For an initiative that is an eligible project described in subparagraph (B) of subdivision (1) of subsection (c) of this section, a description of the municipality's consultations with the regional workforce development board that serves the municipality regarding the development of such project and efforts to coordinate such project with the board's activities;

(E) A description of each organization that will participate in an eligible project described in subparagraph (B) of subdivision (1) of subsection (c) of this section, and information on each organization's commitment to provide continuous, sustained engagement with

residents of such tract throughout the project;

(F) A description of the entity or organization responsible for coordinating the implementation of each component of the application and overseeing the various projects and programs outlined in such application;

(G) A description of plans for ongoing engagement with residents of such census tracts and solicitation of feedback on the progress of a proposal during its implementation; and

(H) A description of plans to provide residents of such census tract with opportunities to become involved in implementation of a proposal.

(e) (1) The department shall review and evaluate each application submitted not later than ninety days after the date of submission and shall work with the applicant municipality or certified community development corporation to revise the application if the department believes such revisions will improve or strengthen the application. The department shall assist an applicant in identifying and applying for funding under other programs in order to maximize the amount of funding available for an applicant, including seeking funding under section 4-66c. For a proposal for an eligible project described in subparagraph (A) of subdivision (1) of subsection (c) of this section, the commissioner shall evaluate such project in consultation with the Commissioner of Housing and the Commissioner of Housing shall assist the applicant with obtaining funding for such project through programs operated by the Department of Housing.

(2) The commissioner shall submit to the Governor all applications that are deemed to satisfy the requirements of subsection (d) of this section. The Governor shall review such applications and may approve or disapprove an application or return an application to the commissioner for modifications. If an application is returned to the

commissioner, the commissioner shall work with the applicant to modify the application and shall resubmit such application with modifications to the Governor. If the Governor approves an application, the Governor shall make a grant award from bond proceeds under section 32-7y, provided the Governor may use funds from other bond proceeds authorized for the general purposes described in subparagraphs (A) to (C), inclusive, of subdivision (1) of subsection (c) of this section for such grants. Grants awarded under this section shall be for a period of three years, and in an amount sufficient to carry out the objectives of the application, but not less than five hundred thousand dollars. Each application that the Governor approves shall be considered at a State Bond Commission meeting not later than two months after the date the application was approved by the Governor.

(f) At the conclusion of the initial grant period, the commissioner shall evaluate the municipality's progress toward reducing the number of households within the applicable concentrated poverty census tract who have incomes below the federal poverty level to less than thirty per cent of the households of such census tract. Such evaluation shall consider, among other factors, any change in the percentage of households within such census tract who have incomes below the federal poverty level, and whether the actions taken pursuant to such grant during the initial grant period: (1) May reasonably result in a future reduction in the percentage of households within such census tract who have incomes below the federal poverty level, (2) have resulted in a reduction in child poverty within such census tract, (3) may reasonably result in a future reduction in child poverty within such census tract, or (4) may reasonably decrease the likelihood that children who are currently living within such census tract will have incomes below the federal poverty level after they reach adulthood. Upon a determination by the commissioner that reasonable progress has been made, the municipality shall be eligible for subsequent grants under this section, provided, at the conclusion of each subsequent grant period of

three years, each applicant municipality shall be subject to an evaluation and determination under this subsection prior to being eligible to apply for a subsequent grant. An application for a subsequent grant and the awarding of a subsequent grant shall be in accordance with the provisions of subsections (c) to (e), inclusive, of this section.

(g) Not later than August 1, 2024, and annually thereafter until and including August 1, 2029, the commissioner shall submit a report, in accordance with the provisions of section 11-4a, to the General Assembly, that includes the municipalities that submitted applications and that were awarded grants under this section in the prior fiscal year, a description of each purpose and eligible project a municipality awarded a grant under this section is seeking to accomplish or undertaking, a progress report, if applicable, for each such purpose or eligible project and any other information the commissioner deems relevant.

Sec. 351. (*Effective July 1, 2026*) The Commissioner of Housing and the executive director of the Connecticut Housing Finance Authority shall seek a partnership with one or more municipalities or hospitals located in the state to increase workforce housing options. Not later than January 1, 2028, the commissioner and executive director shall submit, in accordance with the provisions of section 11-4a of the general statutes, a report detailing the status of any such partnership and any recommendations on other methods to increase such housing options to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding.

Sec. 352. (*Effective July 1, 2026*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate twenty million dollars.

(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Economic and Community Development for the purpose of supporting tuition for medical students at the Frank H. Netter MD School of Medicine at Quinnipiac University.

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, that are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section. Temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with section 3-20 of the general statutes and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of such bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization that is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Such bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on such bonds as the same become due, and accordingly and as part of the contract of the state with the holders of such bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 353. (*Effective from passage*) (a) Not later than September 1, 2026, and prior to the final selection of a site for the replacement or relocation of the technical high school serving the Windham, Willimantic and

Mansfield region, the Secretary of the Office of Policy and Management shall provide an opportunity for the chief elected official of the town of Windham, city of Willimantic and town of Mansfield and members of the General Assembly representing such town and city to submit written recommendation for alternative sites for consideration. The secretary shall evaluate any such alternative site located closer to the existing school than the site previously identified by the Office of Policy and Management for consideration.

(b) Such evaluation shall (1) be conducted using uniform, objective criteria applied equally to each proposed site, including the site identified by the office and any alternative site submitted for consideration pursuant to the provisions of subsection (a) of this section, and (2) determine whether each site satisfies the minimum educational, operational and facility requirements for the project, including, but not limited to:

(A) Sufficient acreage, configuration and developable area to accommodate instructional space, trade programs, parking, circulation, outdoor training needs and reasonable future expansion;

(B) Physical site conditions, including wetlands, topography, ledge, soil conditions, environmental contamination, flood risk, drainage and other constraints affecting construction or use;

(C) Access, transportation and safety considerations, including roadway access traffic capacity, bus circulation, pedestrian access, student transportation, proximity to public transit where available, sidewalks and any required off-site improvements;

(D) Availability and adequacy of public utilities and infrastructure, including water, sewer, electric service, stormwater management and road improvements;

(E) Estimated land acquisition, site preparation, infrastructure,

construction and transportation costs;

(F) The likely effect of each site on the project schedule, permitting design complexity and risk; and

(G) The impact of each site on current and projected students, including travel time, transportation burden and access for students residing in the town of Windham, city of Willimantic or town of Mansfield.

(c) The Secretary of the Office of Policy and Management shall prepare a written comparative analysis identifying, for each site: (1) Whether the site meets the minimum requirements for the project, (2) any conditions that limit or prevent use of the site, (3) the estimated cost and schedule impact of addressing such conditions, (4) whether such conditions are reasonably manageable within the normal course of project development or would materially impair the project, and (5) the basis for recommending or rejecting the site. The analysis shall distinguish between conditions that can be reasonably mitigated and conditions that render a site impracticable. Not later than November 1, 2026, the secretary shall submit the results of such evaluation and analysis to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding.

(d) The Office of Policy and Management shall not proceed with final site selection for the replacement or relocation of the technical high school serving the Windham, Willimantic and Mansfield region, unless the evaluation demonstrates that no alternative site located closer to the existing school than the site previously identified by the office, is both feasible and capable of meeting program requirements without causing an unreasonable delay, cost increase or operational limitation.

Sec. 354. (*Effective July 1, 2026*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the

power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate ten million dollars.

(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Office of Policy and Management for the purpose of providing a grant-in-aid to the town of Hamden, provided the mayor of the town of Hamden appears before the Municipal Finance Advisory Commission pursuant to the provisions of subsection (d) of this section.

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, that are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section. Temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with section 3-20 of the general statutes and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of such bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization that is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Such bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on such bonds as the same become due, and accordingly and as part of the contract of the state with the holders of such bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay

such principal and interest as the same become due.

(d) (1) Notwithstanding section 7-395 of the general statutes, prior to receiving any grant-in-aid pursuant to subsection (b) of this section, the mayor of the town of Hamden shall submit a report to the Municipal Finance Advisory Commission established under section 7-394b of the general statutes and appear before the commission in accordance with the provisions of this section.

(2) Not later than September 1, 2026, the mayor of the town of Hamden shall submit to the commission a report, in writing, that includes a plan for corrective actions to ensure the town will not require supplemental municipal aid in future fiscal years. Such plan shall include, but need not be limited to, (A) cost containment that may be adopted by the town, (B) adjustments to fiscal policies, (C) collaboration with one or more municipalities to obtain shared services, (D) ways to maximize federal funding, (E) the identification of possible efficiencies in the provision of services, and (F) the prioritization of core services identified by the town.

(3) Not later than December 31, 2026, the mayor of the town of Hamden shall appear before the commission, at a time and place to be determined by the commission, to present such report and answer any questions from the commission.

Sec. 355. (NEW) (*Effective October 1, 2026*) (a) As used in this section:

(1) "Hospital" has the same meaning as provided in section 19a-490 of the general statutes; and

(2) "Hospital financial assistance" has the same meaning as provided in section 38a-1053 of the general statutes.

(b) (1) Each hospital shall include, on or with each billing statement, submitted in paper copy or electronic form to a patient, a clear and

conspicuous notice that:

(A) Hospital financial assistance may be available for eligible patients; and

(B) Any patient may apply for such assistance without a fee.

(2) Such notice provided pursuant to subdivision (1) of this subsection shall be written in plain language in English and Spanish and made available, upon request, in any language consistent with state and federal law, and with subsection (d) of this section, and include the following information:

(A) A telephone number the patient may call for additional information about the hospital's financial assistance policy and procedures for such patient to apply for financial assistance;

(B) An Internet web site address where the patient may access information about the hospital's financial assistance policy and procedures for applying for financial assistance;

(C) A summary of the hospital's financial assistance policy, or an Internet web site where the patient may access such summary;

(D) Instructions for requesting a paper copy of the hospital's financial assistance policy; and

(E) Instructions on where to access an application for financial assistance and instructions for filing such application.

(3) In addition to the requirements of subdivisions (1) and (2) of this subsection, each hospital shall post such notice in a prominent location on such hospital's Internet web site.

(c) Consistent with 26 CFR 1.501(r)–(4), as amended from time to time, each hospital shall have a written financial assistance policy that

includes:

(1) Eligibility criteria for financial assistance and whether such financial assistance includes services offered at a discount or free of charge;

(2) The methodology used to calculate the amounts charged to patients;

(3) Instructions for filing an application for financial assistance;

(4) An explanation of whether the hospital uses a patient's prior financial assistance eligibility determination as a basis for establishing eligibility for current financial assistance, and, if so, the circumstances under which such prior determination is applied; and

(5) A list of any health care providers, other than the hospital, delivering emergency or other medically necessary services in the hospital that specifies which health care providers are covered by such hospital's financial assistance policy.

(d) Consistent with 26 CFR 1.501(r)–(4), as amended from time to time, each notice required pursuant to subsection (b) of this section shall have the following statement printed on the first page of such notice:

"If a language is spoken by at least one thousand individuals or five per cent of the community served by the hospital facility or likely to be affected or encountered by the hospital facility, then the hospital shall translate the notice into such other language.".

(e) Nothing in this section shall be construed to:

(1) Provide financial assistance that is in addition to financial assistance required by a hospital pursuant to state or federal law;

(2) Create a private right of action; or

(3) Limit a hospital's ability to collect payment from, or bill any patient for, services provided by the hospital, provided such collection or billing complies with state or federal law.

Sec. 356. Section 38a-1053 of the 2026 supplement to the general statutes is amended by adding subsection (e) as follows (*Effective October 1, 2026*):

(NEW) (e) (1) On and after January 1, 2027, any hospital maintaining a financial assistance program shall deem any patient enrolled in the federal (A) Supplemental Nutrition Assistance Program, (B) Special Supplemental Food Program for Women, Infants and Children, or (C) Temporary Assistance for Needy Families Program to have satisfied the income-based eligibility requirements of such hospital's financial assistance program.

(2) Verification of enrollment pursuant to the provisions of subdivision (1) of this subsection may be based on reasonable evidence, including, but not limited to, electronic verification, attestation or other documentation.

(3) For any patient deemed eligible for a hospital's financial assistance program pursuant to this subsection, a hospital shall determine such patient's level of financial assistance in accordance with the hospital's financial assistance policy.

(4) A hospital may require any such patient deemed eligible for the financial assistance program to provide additional information for such hospital to determine the amount of financial assistance to be provided to such patient, and, if applicable, such hospital may require that (A) such patient apply for the Medicaid or Medicare programs, or other government-funded health coverage, including, but not limited to, coverage offered through the Connecticut Health Insurance Exchange, established pursuant to section 38a-1081, as a condition of receiving

such financial assistance.

(5) Nothing in this subsection shall be construed to require any hospital to (A) provide financial assistance beyond the income levels or discount tiers established in such hospital's financial assistance policy, or (B) amend or modify such hospital's financial assistance policy.

Sec. 357. Section 12-263p of the 2026 supplement to the general statutes, as amended by section 359 of public act 25-168, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

As used in sections 12-263p to 12-263x, inclusive, and section 362 of this act, unless the context otherwise requires:

(1) "Commissioner" means the Commissioner of Revenue Services;

(2) "Department" means the Department of Revenue Services;

(3) "Taxpayer" means any health care provider subject to any tax or fee under section 12-263q or 12-263r;

(4) "Health care provider" means an individual or entity that receives any payment or payments for health care items or services provided;

(5) "Gross receipts" means the amount received, whether in cash or in kind, from patients, third-party payers and others for taxable health care items or services provided by the taxpayer in the state, including retroactive adjustments under reimbursement agreements with third-party payers, without any deduction for any expenses of any kind;

(6) "Net revenue" means gross receipts less payer discounts, charity care and bad debts, to the extent the taxpayer previously paid tax under section 12-263q on the amount of such bad debts;

(7) "Payer discounts" means the difference between a health care provider's published charges and the payments received by the health

care provider from one or more health care payers for a rate or method of payment that is different than or discounted from such published charges. "Payer discounts" does not include charity care or bad debts;

(8) "Charity care" means free or discounted health care services rendered by a health care provider to an individual who cannot afford to pay for such services, including, but not limited to, health care services provided to an uninsured patient who is not expected to pay all or part of a health care provider's bill based on income guidelines and other financial criteria set forth in the general statutes or in a health care provider's charity care policies on file at the office of such provider. "Charity care" does not include bad debts or payer discounts;

(9) "Received" means "received" or "accrued", construed according to the method of accounting customarily employed by the taxpayer;

(10) "Hospital" means any health care facility, as defined in section 19a-630, that (A) is licensed by the Department of Public Health as a short-term general hospital or children's general hospital; (B) is maintained primarily for the care and treatment of patients with disorders other than mental diseases; (C) meets the requirements for participation in Medicare as a hospital; and (D) has in effect a utilization review plan, applicable to all Medicaid patients, that meets the requirements of 42 CFR 482.30, as amended from time to time, unless a waiver has been granted by the Secretary of the United States Department of Health and Human Services;

(11) "Inpatient hospital services" means, in accordance with federal law, all services that are (A) ordinarily furnished in a hospital for the care and treatment of inpatients; (B) furnished under the direction of a physician or dentist; and (C) furnished in a hospital. "Inpatient hospital services" does not include skilled nursing facility services and intermediate care facility services furnished by a hospital with swing bed approval;

(12) "Inpatient" means a patient who has been admitted to a medical institution as an inpatient on the recommendation of a physician or dentist and who (A) receives room, board and professional services in the institution for a twenty-four-hour period or longer, or (B) is expected by the institution to receive room, board and professional services in the institution for a twenty-four-hour period or longer, even if the patient does not actually stay in the institution for a twenty-four-hour period or longer;

(13) "Outpatient hospital services" means, in accordance with federal law, preventive, diagnostic, therapeutic, rehabilitative or palliative services that are (A) furnished to an outpatient; (B) furnished by or under the direction of a physician or dentist; and (C) furnished by a hospital;

(14) "Outpatient" means a patient of an organized medical facility or a distinct part of such facility, who is expected by the facility to receive, and who does receive, professional services for less than a twenty-four-hour period regardless of the hour of admission, whether or not a bed is used or the patient remains in the facility past midnight;

(15) "Nursing home" means any licensed chronic and convalescent nursing home or a rest home with nursing supervision;

(16) "Intermediate care facility for individuals with intellectual disabilities" or "intermediate care facility" means a residential facility for persons with intellectual disability that is certified to meet the requirements of 42 CFR 442, Subpart C, as amended from time to time, and, in the case of a private facility, licensed pursuant to section 17a-227;

(17) "Medicare day" means a day of nursing home care service provided to an individual who is eligible for payment, in full or with a coinsurance requirement, under the federal Medicare program, including fee for service and managed care coverage;

(18) "Nursing home resident day" means a day of nursing home care service provided to an individual and includes the day a resident is admitted and any day for which the nursing home is eligible for payment for reserving a resident's bed due to hospitalization or temporary leave and for the date of death. For purposes of this subdivision, a day of nursing home care service shall be the period of time between the census-taking hour in a nursing home on two successive calendar days. "Nursing home resident day" does not include a Medicare day or the day a resident is discharged;

(19) "Intermediate care facility resident day" means a day of intermediate care facility residential care provided to an individual and includes the day a resident is admitted and any day for which the intermediate care facility is eligible for payment for reserving a resident's bed due to hospitalization or temporary leave and for the date of death. For purposes of this subdivision, a day of intermediate care facility residential care shall be the period of time between the census-taking hour in a facility on two successive calendar days. "Intermediate care facility resident day" does not include the day a resident is discharged;

(20) "Nursing facility service revenue" means, in accordance with federal law, revenue for which a nursing home provides nursing home care services to an individual and that are covered services for Medicaid payment under section 17b-262-705 of the regulations of Connecticut state agencies, whether or not such services were provided to Medicaid recipients. "Nursing facility service revenue" does not include Medicare payments;

(21) "Intermediate care facility service revenue" means, in accordance with federal law, revenue for which an intermediate care facility provides services to its residents and that are covered services for Medicaid payment under section 17b-262-303 of the regulations of Connecticut state agencies, whether or not such services were provided

to Medicaid recipients. "Intermediate care facility service revenue" does not include Medicare payments;

(22) "Medicaid" means the program operated by the Department of Social Services pursuant to section 17b-260 and authorized by Title XIX of the Social Security Act, as amended from time to time; **[**and**]**

(23) "Medicare" means the program operated by the Centers for Medicare and Medicaid Services in accordance with Title XVIII of the Social Security Act, as amended from time to time; and

(24) "Health system" has the same meaning as provided in section 19a-508c.

Sec. 358. Section 12-263q of the 2026 supplement to the general statutes, as amended by section 360 of public act 25-168, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) (1) For each calendar quarter commencing on or after July 1, 2017, each hospital shall pay a tax on the total net revenue received by such hospital for the provision of inpatient hospital services and a tax on the total net revenue received by such hospital for the provision of outpatient hospital services.

(A) (i) On and after July 1, 2017, through June 30, 2026, the rate of tax for the provision of inpatient hospital services shall be six per cent of each hospital's audited net revenue for fiscal year 2016 attributable to inpatient hospital services.

(ii) On and after July 1, 2026, through June 30, 2031, the rate of tax for the provision of inpatient hospital services shall be **[**six**]** four per cent of each hospital's audited net revenue for the applicable federal fiscal year attributable to inpatient hospital services.

(iii) On and after July 1, 2031, the tax rate for the provision of inpatient

hospital services shall be three and one-half per cent of each hospital's audited net revenue for the applicable federal fiscal year attributable to inpatient hospital services.

(B) (i) On and after July 1, 2017, and prior to July 1, 2019, the rate of tax for the provision of outpatient hospital services shall be nine hundred million dollars less the total tax imposed on all hospitals for the provision of inpatient hospital services, which sum shall be divided by the total audited net revenue for fiscal year 2016 attributable to outpatient hospital services, of all hospitals that are required to pay such tax, resulting in an effective rate of twelve and three thousand three hundred twenty-five ten thousandths (12.3325) per cent of each hospital's audited net revenue for fiscal year 2016 attributable to outpatient hospital services.

(ii) On and after July 1, 2019, and prior to July 1, 2020, the rate of tax for the provision of outpatient hospital services shall be eight hundred ninety million dollars less the total tax imposed on all hospitals for the provision of inpatient hospital services, which sum shall be divided by the total audited net revenue for fiscal year 2016 attributable to outpatient hospital services, of all hospitals that are required to pay such tax, resulting in an effective rate of twelve and nine hundred forty-two ten thousandths (12.0942) per cent of each hospital's audited net revenue for fiscal year 2016 attributable to outpatient hospital services, subject to any hospital dissolutions or cessation of operations pursuant to subparagraph (D) of this subdivision or disallowed exemptions pursuant to subsections (b) and (c) of this section.

(iii) On and after July 1, 2020, and prior to July 1, 2021, the rate of tax for the provision of outpatient hospital services shall be eight hundred eighty-two million dollars less the total tax imposed on all hospitals for the provision of inpatient hospital services, which sum shall be divided by the total audited net revenue for fiscal year 2016 attributable to outpatient hospital services, of all hospitals that are required to pay such

tax, resulting in an effective rate of eleven and seven thousand five hundred three ten thousandths (11.7503) per cent of each hospital's audited net revenue for fiscal year 2016 attributable to outpatient hospital services, subject to any hospital dissolutions or cessation of operations pursuant to subparagraph (D) of this subdivision or disallowed exemptions pursuant to subsections (b) and (c) of this section.

(iv) On and after July 1, 2021, and prior to July 1, 2025, the rate of tax for the provision of outpatient hospital services shall be eight hundred fifty million dollars less the total tax imposed on all hospitals for the provision of inpatient hospital services, which sum shall be divided by the total audited net revenue for fiscal year 2016 attributable to outpatient hospital services, of all hospitals that are required to pay such tax, resulting in an effective rate of eleven and nine hundred seventy-six ten thousandths (11.0976) per cent of each hospital's audited net revenue for fiscal year 2016 attributable to outpatient hospital services, subject to any hospital dissolutions or cessation of operations pursuant to subparagraph (D) of this subdivision or disallowed exemptions pursuant to subsections (b) and (c) of this section.

(v) On and after July 1, 2025, and prior to July 1, 2026, the rate of tax for the provision of outpatient hospital services shall be eight hundred twenty million dollars less the total tax imposed on all hospitals for the provision of inpatient hospital services, which sum shall be divided by the total audited net revenue for fiscal year 2016 attributable to outpatient hospital services, of all hospitals that are required to pay such tax, resulting in an effective rate of ten and four thousand eight hundred fifty-eight ten thousandths (10.4858) per cent of each hospital's audited net revenue for fiscal year 2016 attributable to outpatient hospital services, subject to any hospital dissolutions or cessation of operations pursuant to subparagraph (D) of this subdivision or disallowed exemptions pursuant to subsections (b) and (c) of this section.

(vi) (I) On and after July 1, 2026, the rate of tax for the provision of outpatient hospital services shall be equal to the amount specified under clause (vi)(II) of this subparagraph less the total tax imposed on all hospitals for the provision of inpatient hospital services, which sum shall be divided by the total audited net revenue for the applicable federal fiscal year attributable to outpatient hospital services as determined in accordance with section 362 of this act, of all hospitals that are required to pay such tax, subject to any hospital dissolutions or cessation of operations or changes in taxpayer status pursuant to subparagraph (D) of this subdivision or disallowed exemptions pursuant to subsections (b) and (c) of this section.

(II) **[**For the state fiscal year commencing July 1, 2026, the amount shall be one billion one hundred ninety-five million dollars. For the state fiscal year commencing July 1, 2027, and each state fiscal year thereafter, such amount shall be increased by twenty-five million dollars from the prior state fiscal year.**]** For the state fiscal years commencing July 1, 2026, to the state fiscal year commencing July 1, 2030, inclusive, the amount shall be:

Fiscal Year Commencing	Total Amount
July 1, 2026	$974,000,000
July 1, 2027	$997,756,916
July 1, 2028	$1,022,172,694
July 1, 2029	$1,047,265,629
July 1, 2030	$1,073,054,525

For state fiscal years commencing on and after July 1, 2031, the amount shall be one billion seventy-three million fifty-four thousand five hundred twenty-five dollars, unless modified through any provision of the general statutes.

(C) (i) (I) For each state fiscal year commencing on or after July 1, 2019, and prior to July 1, 2026, the total audited net revenue for fiscal year 2016 attributable to inpatient hospital services, of all hospitals that

are required to pay the tax under this section, shall be five billion ninety-seven million eight hundred twenty thousand one hundred ninety-seven dollars, subject to any hospital dissolutions or cessation of operations pursuant to subparagraph (D) of this subdivision or disallowed exemptions pursuant to subsections (b) and (c) of this section.

(II) For each state fiscal year commencing on or after July 1, 2026, the total audited net revenue for the applicable federal fiscal year attributable to inpatient hospital services, of all hospitals that are required to pay the tax under this section, shall be the total amount of net revenue attributable to inpatient hospital services reported to the commissioner for the applicable federal fiscal year by all hospitals subject to the tax or, if applicable, as adjusted by the commissioner, in accordance with the provisions of subparagraph (A) of subdivision (4) of this subsection, subject to any hospital dissolutions or cessation of operations or changes in taxpayer status pursuant to subparagraph (D) of this subdivision, disallowed exemptions pursuant to subsections (b) and (c) of this section or the provisions of subdivision (4) of this subsection. For purposes of this clause, the total audited net revenue shall be calculated as though any children's general hospital subject to a pending request for removal of exemption under subdivision (2) of subsection (b) of this section were subject to the tax, unless and until the Centers for Medicare and Medicaid Services denies such request.

(ii) (I) For the state fiscal year commencing on or after July 1, 2019, and prior to July 1, 2020, the total audited net revenue for fiscal year 2016 attributable to outpatient hospital services, of all hospitals that are required to pay the tax under this section shall be four billion eight hundred twenty-nine million eight hundred fifty-nine thousand three hundred ninety-nine dollars, subject to any hospital dissolutions or cessation of operations pursuant to subparagraph (D) of this subdivision or disallowed exemptions pursuant to subsections (b) and

(c) of this section.

(II) For each state fiscal year commencing on or after July 1, 2020, and prior to July 1, 2026, the total audited net revenue for fiscal year 2016 attributable to outpatient hospital services, of all hospitals that are required to pay the tax under this section, shall be four billion nine hundred three million one hundred twenty-seven thousand one hundred thirty-three dollars, subject to any hospital dissolutions or cessation of operations pursuant to subparagraph (D) of this subdivision or disallowed exemptions pursuant to subsections (b) and (c) of this section.

(III) For each state fiscal year commencing on or after July 1, 2026, the total audited net revenue for the applicable federal fiscal year attributable to outpatient hospital services, of all hospitals that are required to pay the tax under this section, shall be the total amount of net revenue attributable to outpatient hospital services reported to the commissioner for the applicable federal fiscal year by all hospitals subject to the tax or, if applicable, as adjusted by the commissioner, in accordance with the provisions of subparagraph (A) of subdivision (4) of this subsection, subject to any hospital dissolutions or cessation of operations <u>or changes in taxpayer status</u> pursuant to subparagraph (D) of this subdivision, disallowed exemptions pursuant to subsections (b) and (c) of this section or the provisions of subdivision (4) of this subsection.

(D) (i) If a hospital or hospitals subject to the tax imposed under this subdivision merge, consolidate, are acquired or otherwise reorganize, the surviving hospital shall assume and be liable for the total tax imposed under this subdivision on the merged, consolidated, acquired or reorganized hospitals, including any outstanding liabilities from periods prior to such merger, consolidation, acquisition or reorganization.

(ii) **[**If**]** On or before July 1, 2026, if a hospital ceases to operate as a hospital for any reason other than a merger, consolidation, acquisition or reorganization, or ceases for any reason to be subject to the tax imposed under this subdivision, the amount of tax due from each taxpayer under this subdivision shall not be recalculated to take into account such occurrence for the state fiscal year in which the hospital dissolves or ceases to operate. The amount of tax that would be due from the dissolved hospital after its dissolution or cessation of operations shall not be collected by the commissioner for the state fiscal year in which such hospital dissolves or ceases to operate. In the next succeeding state fiscal year after the hospital dissolves or ceases to operate and in each subsequent state fiscal year, the total audited net revenue for the applicable federal fiscal year shall be adjusted to exclude such hospital's audited net revenue for the applicable federal fiscal year and the effective rate of the tax due under this section shall be adjusted to ensure that the total amount of such tax to be collected under subparagraphs (A) and (B) of this subdivision is redistributed among the surviving hospitals in proportion to the reduced total audited net revenue for the applicable federal fiscal year attributable to inpatient hospital services and outpatient hospital services, of all hospitals.

(iii) Commencing on July 1, 2026, if a hospital ceases to operate as a hospital for any reason other than a merger, consolidation, acquisition or reorganization, or ceases for any reason to be subject to the tax imposed under this subdivision, including if the tax exemption for children's general hospitals is not eliminated, the amount of tax attributable to such hospital under subparagraph (B)(vi) of this subdivision shall not be collected by the commissioner for the state fiscal year in which such event occurs or for any state fiscal year thereafter. For the state fiscal year in which such event occurs and for each state fiscal year thereafter, the total amount specified in subparagraph (B)(vi)(II) of this subdivision shall be deemed reduced, without further action, by the amount of tax attributable to such hospital under

subparagraph (B)(vi) of this subdivision for such fiscal year such that the tax rate applicable to outpatient services for the remaining taxpaying hospitals shall not change.

(E) (i) For each state fiscal year commencing on or after July 1, 2026, if the Commissioner of Social Services determines for any fiscal year that the effective rate of tax for the tax imposed on net revenue for the provision of inpatient hospital services exceeds the rate permitted under the provisions of 42 CFR 433.68(f), as amended from time to time, the amount of tax collected that exceeds the permissible amount shall be refunded to hospitals, in proportion to the amount of net revenue for the provision of inpatient hospital services upon which the hospitals were taxed. The effective rate of tax shall be calculated by comparing the amount of tax paid by hospitals on net revenue for the provision of inpatient hospital services in a state fiscal year with the amount of net revenue received by hospitals subject to the tax for the provision of inpatient hospital services for the equivalent fiscal year.

(ii) On or before July 1, 2026, and annually thereafter, each hospital subject to the **[**tax**]** taxes imposed under this subdivision shall report to the Commissioner of Social Services, in the manner prescribed by and on forms provided by said commissioner, the amount of tax paid pursuant to this subsection by such hospital and the amount of net revenue received by such hospital for the provision of inpatient hospital services, in the state fiscal year commencing two years prior to each such reporting date. Not later than ninety days after said commissioner receives completed reports from all hospitals required to submit such reports, said commissioner shall notify the Commissioner of Revenue Services of the amount of any refund due each hospital to be in compliance with 42 CFR 433.68(f), as amended from time to time. Not later than thirty days after receiving such notice, the Commissioner of Revenue Services shall notify the Comptroller of the amount of each such refund and the Comptroller shall draw an order on the Treasurer

for payment of each such refund. No interest shall be added to any refund issued pursuant to this subparagraph.

(2) Except as provided in subdivision (3) of this subsection, each hospital subject to the tax imposed under subdivision (1) of this subsection shall be required to pay the total amount due in four quarterly payments consistent with section 12-263s, with the first quarter commencing with the first day of each state fiscal year and the last quarter ending on the last day of each state fiscal year. Hospitals shall make all payments required under this subsection in accordance with procedures established by and on forms provided by the commissioner.

(3) (A) For the state fiscal year commencing July 1, 2017, each hospital required to pay tax on inpatient hospital services or outpatient hospital services shall make an estimated tax payment on December 15, 2017, which estimated payment shall be equal to one hundred thirty-three per cent of the tax due under chapter 211a for the period ending June 30, 2017. If a hospital was not required to pay tax under chapter 211a on either inpatient hospital services or outpatient hospital services, such hospital shall make its estimated payment based on its unaudited net patient revenue.

(B) Each hospital required to pay tax pursuant to this subdivision on inpatient hospital services or outpatient hospital services shall pay the remaining balance determined to be due in two equal payments, which shall be due on April 30, 2018, and July 31, 2018, respectively.

(C) (i) (I) For each state fiscal year commencing on or after July 1, 2017, and prior to July 1, 2026, each hospital required to pay tax on inpatient hospital services or outpatient hospital services shall calculate the amount of tax due on forms prescribed by the commissioner by multiplying the applicable rate set forth in subdivision (1) of this subsection by its audited net revenue for fiscal year 2016.

(II) For each state fiscal year commencing on or after July 1, 2026, each hospital required to pay tax on inpatient hospital services or outpatient hospital services shall calculate the amount of tax due on forms prescribed by the commissioner under this section.

(ii) For the state fiscal year commencing July 1, 2019, the payment made for the period ending September 30, 2019, by each hospital required to pay tax on inpatient hospital services or outpatient hospital services shall be considered an estimated payment for purposes of the tax due for said state fiscal year. Each hospital required to pay the tax under this section on inpatient hospital services or outpatient hospital services shall pay the remaining balance due in three equal payments, which shall be due on January 31, 2020, April 30, 2020, and July 31, 2020, respectively.

(D) The commissioner shall apply any payment made by a hospital in connection with the tax under chapter 211a for the period ending September 30, 2017, as a partial payment of such hospital's estimated tax payment due on December 15, 2017, under subparagraph (A) of this subdivision. The commissioner shall return to a hospital any credit claimed by such hospital in connection with the tax imposed under chapter 211a for the period ending September 30, 2017, for assignment as provided under section 12-263s.

(4) (A) (i) Each hospital required to pay tax on inpatient hospital services or outpatient hospital services shall submit to the commissioner such information as the commissioner requires in order to calculate the audited net inpatient revenue for fiscal year 2016, the audited net outpatient revenue for fiscal year 2016 and the audited net revenue for fiscal year 2016 of all such health care providers. Such information shall be provided to the commissioner not later than January 1, 2018. The commissioner shall make additional requests for information as necessary to fully audit each hospital's net revenue. Upon completion of the commissioner's examination, the commissioner shall notify, prior to

February 28, 2018, each hospital of its audited net inpatient revenue for fiscal year 2016, audited net outpatient revenue for fiscal year 2016 and audited net revenue for fiscal year 2016.

(ii) (I) Not later than **[**January 1, 2026, and January 1, 2029, and quadrennially thereafter**]** June 1, 2030, and quinquennially thereafter, each hospital required to pay tax on inpatient hospital services or outpatient hospital services shall submit to the commissioner such information as the commissioner requires in order to calculate, for the applicable federal fiscal year, the audited net inpatient revenue, the audited net outpatient revenue and the audited net revenue of all such hospitals. The amounts reported by each hospital shall be deemed accepted on the first day of the **[**state**]** federal fiscal year, provided the commissioner has not initiated an audit of the hospital before such first day.

(II) If the commissioner initiates an audit of a hospital, such hospital shall comply with all additional requests by the commissioner for information necessary to enable the commissioner to fully audit the hospital within **[**fourteen**]** thirty days of the date the commissioner requests such information. If requested by a hospital, the commissioner may grant an extension of the deadline to comply with requests for information.

(III) The commissioner shall issue any notice setting forth additional audited net revenue not later than the first day of the state fiscal year. Such additional audited net revenue shall be final **[**fourteen**]** thirty days after the date such notice is mailed to the taxpayer, except for any amounts as to which the taxpayer files a written protest with the commissioner. If a protest is filed, the commissioner shall reconsider the additional audited net revenue and, if the taxpayer or the taxpayer's authorized representative has requested a hearing, shall grant or deny such hearing. The commissioner shall mail notice of the commissioner's determination to the taxpayer, which notice shall briefly set forth the

commissioner's findings of fact and the basis of the commissioner's decision in each case decided adversely, in whole or in part, to the taxpayer. The commissioner's action on the taxpayer's protest shall be final upon the expiration of one month from the date the commissioner mails the notice of the commissioner's determination to the taxpayer, unless the taxpayer seeks judicial review of such determination within such period.

(IV) If any protest or appeal is pending on the first day of the next succeeding state fiscal year, the amounts reported by the protesting or appealing taxpayer shall be used to tentatively calculate the tax due under this section until such protest or appeal is finally resolved. If any amount is revised pursuant to such protest or appeal from the amount originally reported by a hospital, the commissioner shall recalculate for each hospital the amounts due under this section and shall issue assessments or refunds, as applicable, with respect to any affected calendar quarter.

(V) A notice under this clause shall not be required for any hospital for which an audit has not been issued.

(B) Any hospital that fails to provide the requested information by the dates specified in subparagraph (A) of this subdivision or fails to comply with a request for additional information made under this subdivision shall be subject to a penalty of one thousand dollars per day for each day the hospital fails to provide the requested information or additional information.

(C) The commissioner may engage an independent auditor to assist in the performance of the commissioner's duties and responsibilities under this subdivision.

(5) Net revenue derived from providing a health care item or service to a patient shall be taxed only one time under this section.

(6) (A) For purposes of this section:

(i) "Audited net inpatient revenue for fiscal year 2016" means the amount of revenue that the commissioner determines, in accordance with federal law, that a hospital received for the provision of inpatient hospital services during the 2016 federal fiscal year;

(ii) "Audited net outpatient revenue for fiscal year 2016" means the amount of revenue that the commissioner determines, in accordance with federal law, that a hospital received for the provision of outpatient hospital services during the 2016 federal fiscal year;

(iii) "Audited net revenue for fiscal year 2016" means net revenue, as reported in each hospital's audited financial statements, less the amount of revenue that the commissioner determines, in accordance with federal law, that a hospital received from other than the provision of inpatient hospital services and outpatient hospital services. The total audited net revenue for fiscal year 2016 shall be the sum of all audited net revenue for the 2016 fiscal year for all hospitals required to pay tax on inpatient hospital services and outpatient hospital services;

(iv) "Audited net inpatient revenue for the applicable federal fiscal year" means the amount of revenue that a hospital reports to the commissioner that such hospital received for the provision of inpatient hospital services during the applicable federal fiscal year, subject to the provisions of subdivision (4) of subsection (a) of this section;

(v) "Audited net outpatient revenue for the applicable federal fiscal year" means the amount of revenue that a hospital reports to the commissioner that such hospital received for the provision of outpatient hospital services during the applicable federal fiscal year, subject to the provisions of subdivision (4) of subsection (a) of this section;

(vi) "Audited net revenue for the applicable federal fiscal year" means net revenue, as reported in each hospital's audited financial statements,

less the amount of revenue a hospital received from other than the provision of inpatient hospital services and outpatient hospital services. The total audited net revenue shall be the sum of all audited net revenue for the applicable federal fiscal year for all hospitals required to pay tax on inpatient hospital services and outpatient hospital services; and

(vii) "Applicable federal fiscal year" means (I) for state fiscal years commencing on or after July 1, 2017, and through June 30, 2026, federal fiscal year 2016, (II) for state fiscal years commencing on July 1, 2026, and prior to July 1, **[**2029**]** 2031, federal fiscal year 2024, **[**(II)**]** (III) for state fiscal years commencing on or after July 1, **[**2029**]** 2031, and prior to July 1, **[**2033**]** 2036, federal fiscal year **[**2027**]** 2029, and **[**(III)**]** (IV) for the periods commencing with the state fiscal year commencing July 1, **[**2033**]** 2036, and **[**quadrennially**]** quinquennially thereafter, the federal fiscal year that concluded in the calendar year that is two years prior to the start of such **[**quadrennial**]** quinquennial period.

(B) For purposes of this section, if a hospital's audited financial statements for the applicable federal fiscal year does not report revenue for the entire fiscal year, such hospital's audited net revenue for the applicable federal fiscal year shall be calculated by projecting the amount of revenue such hospital would have received for the entire fiscal year based proportionally on the audited net revenue reported on its audited financial statements.

(C) Audited net inpatient revenue and audited net outpatient revenue shall be based on information provided by each hospital required to pay tax on inpatient hospital services or outpatient hospital services.

(b) (1) The Commissioner of Social Services shall seek approval from the Centers for Medicare and Medicaid Services to exempt from the net revenue tax imposed under subsection (a) of this section the following: (A) Specialty hospitals; (B) children's general hospitals; and (C)

hospitals owned and operated exclusively by the state other than a short-term general hospital operated by the state as a receiver pursuant to chapter 920. Any hospital for which the Centers for Medicare and Medicaid Services grants an exemption shall be exempt from the net revenue tax imposed under subsection (a) of this section. Any hospital for which the Centers for Medicare and Medicaid Services denies an exemption shall be deemed to be a hospital for purposes of this section and shall be required to pay the net revenue tax imposed under subsection (a) of this section on inpatient hospital services and outpatient hospital services at the same effective rates set forth in subsection (a) of this section.

(2) **[**The**]** Notwithstanding the provisions of subdivision (1) of this subsection, the Commissioner of Social Services shall seek approval from the Centers for Medicare and Medicaid Services to remove the exemption approved pursuant to subdivision (1) of this subsection for children's general hospitals from the net revenue tax imposed under subsection (a) of this section. If the Centers for Medicare and Medicaid Services approves the removal of such exemption, any children's general hospitals that were exempt prior to July 1, 2026, from the net revenue tax imposed under subsection (a) of this section shall be required, on and after July 1, 2026, to pay such tax on inpatient hospital services and outpatient hospital services at the **[**same effective**]** rates set forth in subsection (a) of this section. Children's general hospitals shall be required to pay the taxes on inpatient hospital services and outpatient hospital services commencing July 1, 2026, notwithstanding that federal approval has not yet been obtained, provided that such hospitals shall be entitled to a refund if such approval is not ultimately obtained.

(3) Each hospital shall provide to the Commissioner of Social Services, upon request, such information as said commissioner may require to make any computations necessary to seek approval for

exemption under this subsection.

(4) As used in this subsection, (A) "specialty hospital" means a health care facility, as defined in section 19a-630, other than a facility licensed by the Department of Public Health as a short-term general hospital or a short-term children's hospital. "Specialty hospital" includes, but is not limited to, a psychiatric hospital or a chronic disease hospital, and (B) "children's general hospital" means a health care facility, as defined in section 19a-630, that is licensed by the Department of Public Health as a short-term children's hospital. "Children's general hospital" does not include a specialty hospital.

(c) (1) (A) For each state fiscal year commencing on or after July 1, 2017, and prior to July 1, 2020, the Commissioner of Social Services shall seek approval from the Centers for Medicare and Medicaid Services to exempt financially distressed hospitals from the net revenue tax imposed on outpatient hospital services. Any such hospital for which the Centers for Medicare and Medicaid Services grants an exemption shall be exempt from the net revenue tax imposed on outpatient hospital services under subsection (a) of this section. Any hospital for which the Centers for Medicare and Medicaid Services denies an exemption shall be required to pay the net revenue tax imposed on outpatient hospital services under subsection (a) of this section.

(B) For purposes of this subdivision, "financially distressed hospital" means a hospital that has experienced over the five-year period from October 1, 2011, through September 30, 2016, an average net loss of more than five per cent of aggregate revenue. A hospital has an average net loss of more than five per cent of aggregate revenue if such a loss is reflected in the applicable years of financial reporting that have been made available by the Health Systems Planning Unit of the Office of Health Strategy for such hospital in accordance with section 19a-670. Upon said commissioner's receipt of a determination by the Centers for Medicare and Medicaid Services that a hospital is not exempt, the total

audited net revenue from the provision of outpatient hospital services for fiscal year 2016 shall be increased by such hospital's audited net revenue from the provision of outpatient hospital services for fiscal year 2016 and the effective rate of the tax due under this section shall be adjusted to ensure that the total amount of such tax to be collected under subsection (a) of this section is redistributed, commencing with the calendar quarter next succeeding the date of the determination by the Centers for Medicare and Medicaid Services.

(2) (A) For each state fiscal year commencing on or after July 1, 2020, the Commissioner of Social Services shall seek approval from the Centers for Medicare and Medicaid Services to exempt sole community hospitals from the net revenue tax imposed on outpatient hospital services. Any such hospital for which the Centers for Medicare and Medicaid Services grants an exemption shall be exempt from the net revenue tax imposed on outpatient hospital services under subsection (a) of this section. Any hospital for which the Centers for Medicare and Medicaid Services denies an exemption shall be required to pay the net revenue tax imposed on outpatient hospital services under subsection (a) of this section.

(B) For purposes of this subdivision, "sole community hospital" means a hospital that is classified by the Centers for Medicare and Medicaid Services for purposes of Medicare as a sole community hospital under 42 CFR 412.92. Upon said commissioner's receipt of a determination by the Centers for Medicare and Medicaid Services that a hospital is not exempt, the total audited net revenue from the provision of outpatient hospital services for the applicable federal fiscal year shall be increased by such hospital's audited net revenue from the provision of outpatient hospital services for the applicable federal fiscal year and the effective rate of the tax due under this section shall be adjusted to ensure that the total amount of such tax to be collected under subsection (a) of this section is redistributed, commencing with the

calendar quarter next succeeding the date of the determination by the Centers for Medicare and Medicaid Services.

(3) Upon receipt of a determination by the Centers for Medicare and Medicaid Services under this subsection that a hospital is not exempt, said commissioner shall notify all hospitals subject to the tax under this section of such determination, the corresponding increase to the total audited net revenue for the applicable federal fiscal year and the change in any effective rate of the tax to be collected under subsection (a) of this section. Such notice shall be provided prior to the end of the calendar quarter next succeeding the date of the determination by the Centers for Medicare and Medicaid Services. If a state fiscal year has commenced when such determination is made, the adjusted audited net revenue for the applicable federal fiscal year and the change in any effective rate of the tax to be collected under subsection (a) of this section shall be prorated to take into account the amount of the tax already paid during the state fiscal year.

(d) The commissioner shall issue guidance regarding the administration of the tax on inpatient hospital services and outpatient hospital services. Such guidance shall be issued upon completion of a study of the applicable federal law governing the administration of tax on inpatient hospital services and outpatient hospital services. The commissioner shall conduct such study in collaboration with the Commissioner of Social Services, the Secretary of the Office of Policy and Management, the Connecticut Hospital Association and the hospitals subject to the tax imposed on inpatient hospital services and outpatient hospital services.

(e) (1) The commissioner shall determine, in consultation with the Commissioner of Social Services, the Secretary of the Office of Policy and Management, the Connecticut Hospital Association and the hospitals subject to the tax imposed on inpatient hospital services and outpatient hospital services, if there is any underreporting of revenue

on hospitals' audited financial statements. Such consultation shall only be as authorized under section 12-15. The commissioner shall issue guidance, if necessary, to address any such underreporting.

(2) If the commissioner determines, in accordance with this subsection, that a hospital underreported net revenue on its audited financial statements, the amount of underreported net revenue shall be added to the amount of net revenue reported on such hospital's audited financial statements so as to comply with federal law and the revised net revenue amount shall be used for purposes of calculating the amount of tax owed by such hospital under this section. For purposes of this subsection, "underreported net revenue" means any revenue of a hospital subject to the tax imposed under this section that is required to be included in net revenue from the provision of inpatient hospital services and net revenue from the provision of outpatient hospital services to comply with 42 CFR 433.56, as amended from time to time, 42 CFR 433.68, as amended from time to time, and Section 1903(w) of the Social Security Act, as amended from time to time, but that was not reported on such hospital's audited financial statements. Underreported net revenue shall only include revenue of the hospital subject to such tax.

(f) On or before November 15, 2026, and quarterly thereafter, the commissioner shall report to the Commissioner of Social Services and the Secretary of the Office of Policy and Management the amount of tax paid under this section by each hospital for the most recently completed calendar quarter and the amount of any delinquent tax, plus penalty and interest thereon, owed by a hospital and due under this section.

(g) Nothing in this section shall affect the commissioner's obligations under section 12-15 regarding disclosure and inspection of returns and return information.

(h) The provisions of section 17b-8 shall not apply to any exemption

or exemptions sought by the Commissioner of Social Services from the Centers for Medicare and Medicaid Services under this section.

(i) With respect to any calendar quarter commencing on or after July 1, 2026, the rate of tax on the net revenue for the provision of inpatient hospital services set forth in subsection (a) of this section shall be automatically lowered to the extent necessary to ensure that such rate does not exceed the indirect hold harmless safe harbor rate that is approved by the Centers for Medicare and Medicaid Services in a written decision in response to a tax waiver submitted by the Commissioner of Social Services pursuant to subsection (b) of this section. The rates of tax on the net revenue for the provision of outpatient hospital services shall be automatically modified to ensure that the same amount of revenue is collected as set forth in subsection (a) of this section. If the hold harmless rate for the tax on net revenue for the provision of inpatient hospital services is less than the amount set forth in subsection (a) of this section, each hospital shall be required to file an amended return with the Commissioner of Revenue Services reporting the modified amount of inpatient and outpatient hospital tax due in accordance with this subsection.

Sec. 359. (NEW) (*Effective from passage*) (a) There is established an account to be known as the "hospital supplemental payment account", which shall be a separate nonlapsing account. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Commissioner of Social Services for the purpose of making payments to hospitals, hospital-affiliated medical groups and faculty practice plans, as such terms are defined in subsection (a) of section 17b-239e of the general statutes, during the fiscal years commencing on or after July 1, 2026, in accordance with subsection (c) of section 17b-239e of the general statutes.

(b) All revenue received from the tax imposed under section 12-263q of the general statutes for a calendar quarter commencing on or after

July 1, 2026, shall be deposited into the hospital supplemental payment account established by subsection (a) of this section.

(c) In the event that the Secretary of the Office of Policy and Management determines that such account will have insufficient funds to make all payments due to hospitals under subsection (c) of section 17b-239e of the general statutes during a fiscal year commencing on or after July 1, 2026:

(1) The secretary shall consult with the Commissioners of Revenue Services and Social Services to determine, after considering any delinquent hospital's ability to pay and any resultant impact on patient health, the feasibility of collecting such unpaid taxes from the delinquent hospital;

(2) If it is determined that it is feasible to collect all or a portion of the tax pursuant to the offset provisions of subdivision (4) of subsection (c) of section 12-263s of the general statutes or other collections methods, the Commissioner of Revenue Services shall take such collections actions; and

(3) If, after taking the steps required by subdivisions (1) and (2) of this subsection, the secretary still determines that the account will have insufficient funds to make all payments due to hospitals under subsection (c) of section 17b-239e of the general statutes during a fiscal year commencing on or after July 1, 2026, the secretary shall certify the amount of the shortfall and shall request that the Finance Advisory Committee approve a transfer of such certified amount from the General Fund to the account established by this section. The Comptroller shall transfer the amount certified by the secretary and approved by the Finance Advisory Committee from the unappropriated resources of the General Fund to the account established by this section.

Sec. 360. (*Effective July 1, 2026*) Not later than June 30, 2027, the

Comptroller shall transfer the sum of ten million seven hundred thousand dollars from the resources of the hospital supplemental payment account established by section 359 of this act for the fiscal year ending June 30, 2027, to be accounted for as revenue of the General Fund for the fiscal year ending June 30, 2027.

Sec. 361. Section 12-263aa of the 2026 supplement to the general statutes, as amended by section 364 of public act 25-168, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) For the state fiscal years ending June 30, 2020, through June 30, 2026, the tax imposed under section 12-263q on the provision of inpatient hospital services and outpatient hospital services shall cease to be imposed if the Centers for Medicare and Medicaid Services (1) determines that such tax is an impermissible tax under Section 1903(w) of the Social Security Act, as amended from time to time, or (2) does not approve the applicable Medicaid state plan amendments necessary for the state to receive federal financial participation under the Medicaid program for the payments set forth in subsection (i) of section 17b-239 and subsection (c) of section 17b-239e. In the event of such a determination or disapproval, the General Assembly shall consider, during the next occurring regular or special session, whichever is sooner, such amendments to the general statutes as are necessary to comply with federal law regarding such tax.

(b) For the state fiscal years beginning on or after July 1, 2026, the taxes imposed under section 12-263q on the provision of inpatient hospital services and outpatient hospital services as well as the supplemental payments to hospitals set forth in subsection (c) of section 17b-239e shall revert in all respects to the structure and amounts set forth in said sections, as they existed on June 1, 2025, if any of the following occur: (1) The Centers for Medicare and Medicaid Services determines that either tax is impermissible under Section 1903(w) of the Social Security Act, as amended from time to time, or declines to issue

any tax waiver that may be required; (2) the Centers for Medicare and Medicaid Services does not approve, without material modification, the applicable Medicaid state plan amendments necessary for the state to receive federal financial participation under the Medicaid program for the payments set forth in subsection (c) of section 17b-239e; or (3) any aspect of the amendments to the taxes on inpatient hospital services or outpatient services or changes to the amounts of supplemental payments to hospitals pursuant to the provisions of this act are found to be invalid. In the event of such a determination or disapproval, the General Assembly shall consider, during the next occurring regular or special session, whichever is sooner, such amendments to the general statutes as are necessary to comply with federal law regarding such tax and such payments. Notwithstanding the provisions of this subsection, reversion to the June 1, 2025, tax and payment structure shall not be required if the taxes on the provision of inpatient hospital services and outpatient hospital services are permissible under federal law and the Centers for Medicare and Medicaid Services approves state plan amendments or other federal authorities necessary to implement payment methodologies that, in the aggregate, produce a total state-wide level of payments under subsection (c) of section 17b-239e that is not materially less than the total state-wide level of payments contemplated under this act, and that results in the combined value of supplemental payments, disproportionate share hospital payments, faculty practice plan payments and hospital-affiliated medical group payments to each health system and its affiliates being as nearly equivalent as practicable to the payment levels contemplated under this act, with variation permitted only to the extent necessary to obtain federal approval or comply with federal law. For purposes of this subsection, "faculty practice plan", "hospital-affiliated medical group" and "health system" have the same meaning as provided in section 17b-239e.

[(b)**]** (c) On and after July 1, 2026, the tax imposed under subdivision

(2) of subsection (a) of section 12-263r shall cease to be imposed if the Centers for Medicare and Medicaid Services determines that such tax is an impermissible tax under Section 1903(w) of the Social Security Act, as amended from time to time. In the event of such a determination, the quarterly fee under subdivision (1) of subsection (a) of section 12-263r shall be reinstated and applicable to the calendar quarter during which such determination was made and each calendar quarter thereafter. If the state successfully appeals such determination, such quarterly fee shall cease and the tax under subdivision (2) of subsection (a) of section 12-263r shall be reinstated and applicable to the calendar quarter commencing immediately after the date of the final decision of such appeal and each calendar quarter thereafter.

Sec. 362. (*Effective from passage*) (a) (1) Not later than thirty days after the effective date of this section, each hospital required to pay tax on inpatient hospital services or outpatient hospital services for the fiscal year commencing on July 1, 2026, in accordance with section 12-263q of the general statutes, shall submit to the Commissioner of Revenue Services such information as the commissioner requires in order to calculate, for the federal fiscal year 2024, the audited net inpatient revenue, the audited net outpatient revenue and the audited net revenue of all such hospitals. The amounts reported by each hospital shall be deemed accepted on the first day of the state fiscal year, provided the commissioner has not initiated an audit of the hospital before such first day.

(2) If the commissioner initiates an audit of a hospital, such hospital shall comply with all additional requests by the commissioner for information necessary to enable the commissioner to fully audit the hospital within thirty days of the date the commissioner requests such information. If requested by a hospital, the commissioner may grant an extension of the deadline to comply with requests for information.

(3) The commissioner shall issue any notice setting forth additional

audited net revenue not later than the first day of the state fiscal year. Such additional audited net revenue shall be final thirty days after the date such notice is mailed to the taxpayer, except for any amounts as to which the taxpayer files a written protest with the commissioner. If a protest is filed, the commissioner shall reconsider the additional audited net revenue and, if the taxpayer or the taxpayer's authorized representative has requested a hearing, shall grant or deny such hearing. The commissioner shall mail notice of the commissioner's determination to the taxpayer, which notice shall briefly set forth the commissioner's findings of fact and the basis of the commissioner's decision in each case decided adversely, in whole or in part, to the taxpayer. The commissioner's action on the taxpayer's protest shall be final upon the expiration of one month from the date the commissioner mails the notice of the commissioner's determination to the taxpayer, unless the taxpayer seeks judicial review of such determination within such period.

(4) If any protest or appeal is pending on the first day of the next succeeding state fiscal year, the amounts reported by the protesting or appealing taxpayer shall be used to tentatively calculate the tax due under this section until such protest or appeal is finally resolved. If any amount is revised pursuant to such protest or appeal from the amount originally reported by a hospital, the commissioner shall recalculate for each hospital the amounts due under this section and shall issue assessments or refunds, as applicable, with respect to any affected calendar quarter.

(5) A notice under this subsection shall not be required for any hospital for which an audit has not been issued.

(b) Any hospital that fails to provide the requested information within thirty days of the date of the request by the commissioner or fails to comply with a request for additional information made under this section shall be subject to a penalty of one thousand dollars per day for

each day the hospital fails to provide the requested information or additional information.

(c) The commissioner may engage an independent auditor to assist in the performance of the commissioner's duties and responsibilities under this section.

Sec. 363. Section 17b-239e of the 2026 supplement to the general statutes, as amended by section 362 of public act 25-168, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) **[**For the purposes of**]** As used in this section **[**, "settlement agreement" has the same meaning as provided in section 12-263z.**]** and section 359 of this act:

(1) "Faculty practice plan" means a medical group controlled or operated by a university or medical school whose primary affiliation is with a nongovernmental hospital;

(2) "Faculty practice plan physician and mid-level services" means professional services provided by physicians or mid-level practitioners billed under the federal identification number assigned to the faculty practice plan;

(3) "Health system" has the same meaning as provided in section 19a-508c;

(4) "Hospital" has the same meaning as provided in section 12-263p;

(5) "Hospital-affiliated medical group" means a medical foundation or medical group practice organized or controlled by a hospital or health system or any subsidiary thereof;

(6) "Hospital-affiliated medical group physician and mid-level services" means professional services provided by physicians and mid-level practitioners billed under the federal employer identification

number assigned to the hospital-affiliated medical group;

(7) "Hospital-based physician and mid-level services" means professional services provided by physicians or mid-level practitioners billed under the federal employer identification number assigned to the hospital;

(8) "Independent nongovernmental hospital" means a nongovernmental hospital that is not part of a health system that includes multiple hospitals and is not included with other hospitals in consolidated financial statements at the system level;

(9) "Inpatient" has the same meaning as provided in section 12-263p;

(10) "Inpatient hospital services" has the same meaning as provided in section 12-263p;

(11) "Mid-level practitioner" means: (A) An advanced practice registered nurse licensed pursuant to chapter 378, or (B) a physician assistant licensed pursuant to chapter 370;

(12) "Nongovernmental hospital" means a hospital that is not owned and operated exclusively by the state;

(13) "Outpatient" has the same meaning as provided in section 12-263p;

(14) "Outpatient hospital services" has the same meaning as provided in section 12-263p;

(15) "Received" has the same meaning as provided in section 12-263p; and

(16) "Settlement agreement" has the same meaning as provided in section 12-263z.

(b) Subject to federal approval, from July 1, 2019, through June 30, 2026, the Department of Social Services shall establish supplemental pools for certain hospitals in accordance with the terms of the settlement agreement, including any court order issued in accordance with the provisions of section 12-263z. Such pools shall include, but not be limited to, as applicable, general, small hospital, mid-sized hospital and large hospital supplemental pools.

(c) (1) From July 1, 2019, through June 30, 2026, the department shall distribute supplemental payments to applicable hospitals in accordance with the settlement agreement, including any court order issued in accordance with the provisions of section 12-263z. The commissioner shall diligently pursue the federal approvals required for the supplemental pools and payments set forth in this section.

(2) To the extent required by the settlement agreement, including any court order issued in accordance with the provisions of section 12-263z, the Department of Social Services shall pay Medicaid supplemental payments to nongovernmental licensed short-term general hospitals located in the state as follows: (A) For the fiscal years ending June 30, 2020, and June 30, 2021, five hundred forty-eight million three hundred thousand dollars in each such fiscal year; and (B) for the fiscal years ending June 30, 2022, through June 30, 2026, five hundred sixty-eight million three hundred thousand dollars in each such fiscal year.

(3) (A) For the fiscal **[**year**]** years commencing on or after July 1, 2026, the Department of Social Services shall pay Medicaid supplemental payments to nongovernmental **[**licensed short-term general hospitals located in the state in the amount of seven hundred eight million three hundred thousand dollars. For fiscal years commencing on or after July 1, 2027, the total amount of such supplemental payments paid to such hospitals each fiscal year shall be increased twenty-five million dollars over the total amount of such supplemental payments paid to such hospitals in the immediately preceding fiscal year, provided such

supplemental payments shall not be increased for any fiscal year unless the total amount collected for the immediately preceding fiscal year from the tax imposed on inpatient hospital services and outpatient hospital services under section 12-263q, across all hospitals subject to such tax, exceeds such amounts collected for the fiscal year prior to the immediately preceding fiscal year by at least twenty-five million dollars.**]** hospitals located in the state for inpatient hospital services, outpatient hospital services and hospital-based physician and mid-level services; hospital-affiliated medical groups; and faculty practice plans, as set forth in subparagraph (B) of this subdivision. The commissioner shall diligently pursue the federal approvals required for the supplemental pools and payments set forth in this subdivision and shall make such payments while federal approval is being pursued. During the pendency of any request for approval to remove the exemption for children's general hospitals under section 12-263q(b)(2), any children's general hospital that would be eligible for payments under this subdivision if such approval were granted shall be treated as eligible for such payments unless and until the Centers for Medicare and Medicaid Services denies such request.

(B) (i) There is established a General Inpatient Supplemental Payment Pool. All nongovernmental hospitals that do not receive disproportionate share hospital payments shall participate in a pro rata distribution of the pool based on each hospital's proportionate share of total Medicaid inpatient revenue as reported to the Office of Health Strategy for federal fiscal year 2024. The total amount available for distribution under this subsection shall be: (I) For the state fiscal year commencing July 1, 2026, $202,823,819; (II) for the state fiscal year commencing July 1, 2027, $220,864,276; (III) for the state fiscal year commencing July 1, 2028, $239,696,267; (IV) for the state fiscal year commencing July 1, 2029, $258,122,646; and (V) for the state fiscal years commencing on or after July 1, 2030, $277,597,027. To the extent a hospital that was eligible for distributions from this pool dissolves or is

no longer a nongovernmental hospital, the available funds for each year shall be reduced by the amount that the hospital would have received absent the change in status.

(ii) There is established a Small Hospital Inpatient Supplemental Payment Pool for nongovernmental hospitals that do not receive disproportionate share hospital payments and that have one hundred eighty or fewer licensed inpatient beds. Payments shall be made on a tiered basis according to total Medicaid inpatient revenue as reported by such hospital to the Office of Health Strategy for federal fiscal year 2024. The supplemental payment amounts shall be: (I) For the state fiscal year commencing July 1, 2026, $3,425,000 for each hospital with less than $10,000,000 in Medicaid inpatient revenue and $9,675,000 for each hospital with $10,000,000 or more in Medicaid inpatient revenue; (II) for the state fiscal year commencing on July 1, 2027, $3,600,000 for each hospital with less than $10,000,000 in Medicaid inpatient revenue and $10,150,000 for each hospital with $10,000,000 or more in Medicaid inpatient revenue; (III) for the state fiscal year commencing on July 1, 2028, $3,775,000 for each hospital with less than $10,000,000 in Medicaid inpatient revenue and $10,650,000 for each hospital with $10,000,000 or more in Medicaid inpatient revenue; (IV) for the state fiscal year commencing July 1, 2029, $3,975,000 for each hospital with less than $10,000,000 in Medicaid inpatient revenue and $11,175,000 for each hospital with $10,000,000 or more in Medicaid inpatient revenue; and (V) for state fiscal years on or after July 1, 2030, $4,175,000 for each hospital with less than $10,000,000 in Medicaid inpatient revenue and $11,700,000 for each hospital with $10,000,000 or more in Medicaid inpatient revenue.

(iii) There is established a Mid-Sized Hospital Inpatient Supplemental Payment Pool for nongovernmental hospitals that do not receive disproportionate share hospital payments, have between one hundred eighty-one and four hundred ninety-nine licensed inpatient

beds, and have Medicaid gross revenue between six per cent and eighteen per cent of total hospital revenue as reported by such hospital to the Office of Health Strategy for federal fiscal year 2024. Payments shall be tiered based on whether total Medicaid inpatient revenue is less than or greater than $18,000,000 for federal fiscal year 2024. The supplemental payment amounts shall be: (I) For the state fiscal year commencing on July 1, 2026, $9,250,000 for each hospital with less than $18,000,000 in Medicaid inpatient revenue and $19,000,000 for each hospital with $18,000,000 or more in Medicaid inpatient revenue; (II) for the state fiscal year commencing on July 1, 2027, $9,650,000 for each hospital with less than $18,000,000 in Medicaid inpatient revenue and $20,050,000 for each hospital with $18,000,000 or more in Medicaid inpatient revenue; (III) for the state fiscal year commencing on July 1, 2028, $10,075,000 for each hospital with less than $18,000,000 in Medicaid inpatient revenue and $21,125,000 for each hospital with $18,000,000 or more in Medicaid inpatient revenue; (IV) for the state fiscal year commencing on July 1, 2029, $10,550,000 for each hospital with less than $18,000,000 in Medicaid inpatient revenue and $22,225,000 for each hospital with $18,000,000 or more in Medicaid inpatient revenue; and (V) for state fiscal years commencing on or after July 1, 2030, $11,025,000 for each hospital with less than $18,000,000 in Medicaid inpatient revenue and $23,350,000 for each hospital with $18,000,000 or more in Medicaid inpatient revenue.

(iv) There is established an Independent Mid-Sized Hospital Inpatient Supplemental Payment Pool for independent nongovernmental hospitals that meet the criteria set forth in clause (iii) of this subparagraph. Payments shall be tiered based on whether total Medicaid inpatient revenue is less than or greater than $30,000,000 as reported by such hospital to the Office of Health Strategy for federal fiscal year 2024. The supplemental payment amounts shall be: (I) For the state fiscal year commencing on July 1, 2026, $2,225,000 for each hospital with less than $30,000,000 in Medicaid inpatient revenue and $6,700,000

for each hospital with $30,000,000 or more in Medicaid inpatient revenue; (II) for the state fiscal year commencing on July 1, 2027, $2,400,000 for each hospital with less than $30,000,000 in Medicaid inpatient revenue and $7,075,000 for each hospital with $30,000,000 or more in Medicaid inpatient revenue; (III) for the state fiscal year commencing on July 1, 2028, $2,575,000 for each hospital with less than $30,000,000 in Medicaid inpatient revenue and $7,475,000 for each hospital with $30,000,000 or more in Medicaid inpatient revenue; (IV) for the state fiscal year commencing on July 1, 2029, $2,725,000 for each hospital with less than $30,000,000 in Medicaid inpatient revenue and $7,950,000 for each hospital with $30,000,000 or more in Medicaid inpatient revenue; and (V) for state fiscal years commencing on or after July 1, 2030, $2,875,000 for each hospital with less than $30,000,000 in Medicaid inpatient revenue and $8,400,000 for each hospital with $30,000,000 or more in Medicaid inpatient revenue. This pool shall be in addition to and not in lieu of the supplemental payment pool set forth in clause (iii) of this subparagraph.

(v) There is established a Large Hospital Inpatient Supplemental Payment Pool for nongovernmental hospitals that do not receive disproportionate share hospital payments, have five hundred or more licensed inpatient beds, and have Medicaid inpatient revenue greater than $150,000,000. Payments shall be tiered based on whether total Medicaid inpatient revenue is less than or greater than $300,000,000 as reported by such hospital to the Office of Health Strategy by such hospital for federal fiscal year 2024. The supplemental payment amounts shall be: (I) For the state fiscal year commencing on July 1, 2026, $63,000,000 for each hospital with less than $300,000,000 in Medicaid inpatient revenue and $117,000,000 for each hospital with $300,000,000 or more in Medicaid inpatient revenue; (II) for the state fiscal year commencing on July 1, 2027, $65,900,000 for each hospital with less than $300,000,000 in Medicaid inpatient revenue and $127,100,000 for each hospital with $300,000,000 or more in Medicaid inpatient revenue; (III)

for the state fiscal year commencing on July 1, 2028, $68,675,000 for each hospital with less than $300,000,000 in Medicaid inpatient revenue and $137,325,000 for each hospital with $300,000,000 or more in Medicaid inpatient revenue; (IV) for the state fiscal year commencing on July 1, 2029, $71,800,000 for each hospital with less than $300,000,000 in Medicaid inpatient revenue and $148,200,000 for each hospital with $300,000,000 or more in Medicaid inpatient revenue; and (V) for the state fiscal years commencing on or after July 1, 2030, $74,850,000 for each hospital with less than $300,000,000 in Medicaid inpatient revenue and $159,150,000 for each hospital with $300,000,000 or more in Medicaid inpatient revenue.

(vi) There is established a General Outpatient Supplemental Payment Pool. All nongovernmental hospitals that do not receive disproportionate share hospital payments shall participate in a pro rata distribution based on total Medicaid outpatient revenue as reported by such hospitals to the Office of Health Strategy for federal fiscal year 2024. The total amount available for distribution under this subsection shall be: (I) For the state fiscal year commencing July 1, 2026, $194,995,425; (II) for the state fiscal year commencing July 1, 2027, $221,565,186; (III) for the state fiscal year commencing July 1, 2028, $248,852,236; (IV) for the state fiscal year commencing July 1, 2029, $276,805,190; and (V) for state fiscal years commencing on or after July 1, 2030, $305,623,328. To the extent a hospital that was eligible for distributions from this pool dissolves or is no longer a nongovernmental hospital, the available funds for each year shall be reduced by the amount that the hospital would have received absent the change in status.

(vii) There is established a Mid-Sized Hospital Outpatient Supplemental Payment Pool for nongovernmental hospitals that do not receive disproportionate share hospital payments with between 50,000 and 90,000 annual emergency department visits and with Medicaid

gross revenue between six per cent and eighteen per cent of total revenue as reported by such hospital to the Office of Health Strategy for federal fiscal year 2024. Payments shall be tiered based on whether total Medicaid outpatient revenue is less than or greater than $30,000,000 for federal fiscal year 2024. The supplemental payment amounts shall be: (I) For the state fiscal year commencing on July 1, 2026, $9,250,000 for each hospital with less than $30,000,000 in Medicaid outpatient revenue and $19,000,000 for each hospital with $30,000,000 or more in Medicaid outpatient revenue; (II) for the state fiscal year commencing on July 1, 2027, $9,650,000 for each hospital with less than $30,000,000 in Medicaid outpatient revenue and $20,050,000 for each hospital with $30,000,000 or more in Medicaid outpatient revenue; (III) for the state fiscal year commencing on July 1, 2028, $10,075,000 for each hospital with less than $30,000,000 in Medicaid outpatient revenue and $21,125,000 for each hospital with $30,000,000 or more in Medicaid outpatient revenue; (IV) for the state fiscal year commencing on July 1, 2029, $10,550,000 for each hospital with less than $30,000,000 in Medicaid outpatient revenue and $22,225,000 for each hospital with $30,000,000 or more in Medicaid outpatient revenue; and (V) for state fiscal years commencing on or after July 1, 2030, $11,025,000 for each hospital with less than $30,000,000 in Medicaid outpatient revenue and $23,350,000 for each hospital with $30,000,000 or more in Medicaid outpatient revenue.

(viii) There is established an Independent Mid-Sized Hospital Outpatient Supplemental Payment Pool for independent nongovernmental hospitals meeting the criteria in clause (vii) of this subparagraph. Payments shall be tiered based on whether total Medicaid outpatient revenue is less than or greater than $30,000,000 as reported by such hospital to the Office of Health Strategy for federal fiscal year 2024. The supplemental payment amounts shall be: (I) For the state fiscal year commencing on July 1, 2026, $2,225,000 for each hospital with less than $30,000,000 in Medicaid outpatient revenue and $6,700,000 for each hospital with $30,000,000 or more in Medicaid

outpatient revenue; (II) for the state fiscal year commencing on July 1, 2027, $2,400,000 for each hospital with less than $30,000,000 in Medicaid outpatient revenue and $7,075,000 for each hospital with $30,000,000 or more in Medicaid outpatient revenue; (III) for the state fiscal year commencing on July 1, 2028, $2,575,000 for each hospital with less than $30,000,000 in Medicaid outpatient revenue and $7,475,000 for each hospital with $30,000,000 or more in Medicaid outpatient revenue; (IV) for the state fiscal year commencing on July 1, 2029, $2,725,000 for each hospital with less than $30,000,000 in Medicaid outpatient revenue and $7,950,000 for each hospital with $30,000,000 or more in Medicaid outpatient revenue; and (V) for state fiscal years commencing on or after July 1, 2030, $2,875,000 for each hospital with less than $30,000,000 in Medicaid outpatient revenue and $8,400,000 for each hospital with $30,000,000 or more in Medicaid outpatient revenue. This pool shall be in addition to and not in lieu of the supplemental payment pool set forth in clause (vii) of this subparagraph.

(ix) For state fiscal years commencing on or after July 1, 2026, the Commissioner of Social Services shall make disproportionate share hospital payments in accordance with section 1923 of the Social Security Act, 42 USC 1396r-4, as amended from time to time, and subject to the state's annual federal disproportionate share hospital payment allotment. Disproportionate share hospital payments shall be made to the following qualifying hospitals, subject to federal eligibility requirements and hospital-specific disproportionate share hospital payment limits based on uncompensated care costs: (I) Private acute care hospitals located in a municipality with a population greater than one hundred forty-five thousand and having a federal fiscal year 2024 Medicaid charges as a percentage of total charges greater than twenty-five per cent. The disproportionate share hospital payment amounts for such hospital shall be: For the state fiscal year commencing July 1, 2026, $45,792,235; for the state fiscal year commencing July 1, 2027, $45,648,705; for the state fiscal year commencing July 1, 2028,

$45,516,217; for the state fiscal year commencing July 1, 2029, $45,395,510; and for the state fiscal years commencing on or after July 1, 2030, $45,282,754; (II) for a private acute care hospital within a state-sponsored corporate structure located in a large urban municipality and having federal fiscal year 2024 Medicaid charges as a percentage of total charges between twenty per cent and twenty-five per cent, the disproportionate share hospital payment amounts for such hospital shall be: For the state fiscal year commencing July 1, 2026, $7,706,981; for the state fiscal year commencing July 1, 2027, $8,541,956; for the state fiscal year commencing July 1, 2028, $9,393,031; for the state fiscal year commencing July 1, 2029, $10,260,616; and for the state fiscal years commencing on or after July 1, 2030, $11,146,556; and (III) for licensed freestanding private acute care children's hospitals having federal fiscal year 2024 Medicaid charges as a percentage of total charges greater than thirty-five per cent, the disproportionate share hospital payment amounts for such hospital shall be: For the state fiscal year commencing July 1, 2026, $40,000,784; for the state fiscal year commencing July 1, 2027, $42,020,839; for the state fiscal year commencing July 1, 2028, $44,092,385; for the state fiscal year commencing July 1, 2029, $46,216,555; and for the state fiscal year commencing on or after July 1, 2030, $48,397,679. The disproportionate share hospital payments authorized under this subclause shall be supplemental to, and not in lieu of, the thirteen million one hundred thirty-eight thousand seven hundred thirty-seven dollars in disproportionate share hospital payment amounts otherwise appropriated, allotted or otherwise provided to the hospitals eligible under this subclause in the state budget for the state fiscal year commencing July 1, 2026, which amount shall serve as a funding baseline for each state fiscal year during the five-year period commencing July 1, 2026. Such baseline amount shall not be reduced, offset, supplanted or otherwise taken into account in determining the payments authorized under this subclause. All disproportionate share hospital payments made pursuant to this subsection shall remain subject to hospital-specific limits based on each

hospital's uncompensated care costs, as required under federal law. For state fiscal years commencing on or after July 1, 2026, the Commissioner of Social Services shall adjust aggregate disproportionate share hospital payments for hospitals owned and operated exclusively by the state so that these amounts, when combined with payments pursuant to this subclause and with existing disproportionate share hospital payments to nongovernmental hospitals, do not exceed the state's federal disproportionate share hospital payment allotment for the applicable federal fiscal year.

(x) For state fiscal years commencing on or after July 1, 2026, there shall be established a supplemental pool in the total amount of $72,750,000 to be distributed to hospital-affiliated medical groups for hospital-affiliated medical group physician and mid-level practitioner services and to hospitals for hospital-based physician and mid-level practitioner services, who apply for funds in consultation with their controlling hospital or health system and are deemed eligible for such payments by the Department of Social Services on or before June 30, 2026. Such payments shall be apportioned among eligible entities in proportion to the difference, referred to as the gap, between (I) the Medicaid payments received by the entity for physician and mid-level practitioner services for the state fiscal year ending June 30, 2025, and (II) the amount the entity would have received for such services if paid under the Medicare Physician Fee Schedule adopted by the Centers for Medicare and Medicaid Services for calendar year 2026, calculated in accordance with applicable federal law and regulations. The commissioner shall distribute the available funds so that each entity receives the same percentage of its gap, subject to the total amount available for such payments. For fiscal years commencing on or after July 1, 2027, the amount of payments set forth in this section shall be made in each subsequent fiscal year, unless modified through any provision of the general statutes. This section shall not apply to hospital-affiliated medical groups primarily affiliated with a children's hospital

or to a children's hospital directly. To the extent an entity or group that was eligible for distributions from this pool dissolves or is no longer affiliated with a nongovernmental hospital, the available funds for each year shall be reduced by the amount that the entity or group would have received absent the change in status.

(xi) For state fiscal years commencing on or after July 1, 2026, there shall be established a supplemental pool in the total amount of $32,250,000 to be distributed to faculty practice plans, who apply for and are deemed eligible for such payments by the Department of Social Services on or before June 30, 2026, because they meet all of the following criteria for the state fiscal year ending June 30, 2025: (I) The faculty practice plan consists of more than 1,300 Medicaid enrolled physicians and mid-level practitioners; and (II) the faculty practice plan has annual Medicaid revenue attributable to physician and mid-level practitioner services exceeding fifty million dollars. Such payments shall be apportioned among eligible faculty practice plans in proportion to the difference, referred to as the gap, between the Medicaid payments received by the entity for physician and mid-level practitioner services for the state fiscal year ending June 30, 2025, and the amount the plan would have received for such services if paid under the Medicare Physician Fee Schedule adopted by the Centers for Medicare and Medicaid Services for calendar year 2026, calculated in accordance with applicable federal law and regulations. The Commissioner of Social Services shall distribute the available funds so that each entity receives the same percentage of its gap, subject to the total amount available for such payments. For fiscal years commencing on or after July 1, 2027, the amount of payments set forth in this section shall be made in each subsequent fiscal year, unless modified through any provision of the general statutes. To the extent a faculty practice plan that was eligible for distributions from this pool dissolves or is no longer affiliated with a nongovernmental hospital, the available funds for each year shall be reduced by the amount that the faculty practice plan would have

received absent the change in status.

(xii) If the Centers for Medicare and Medicaid Services does not approve the use of Medicaid payments for the state fiscal year ending June 30, 2025, or the Medicare Physician Fee Schedule for calendar year 2026 for purposes of calculating the applicable upper payment limit gap as specified in clauses (x) and (xi) of this subparagraph, the Commissioner of Social Services may instead use the Medicaid payments or Medicare Physician Fee Schedule for the most recent calendar year approved by the Centers for Medicare and Medicaid Services for such purpose or any other methodology approved by the Centers for Medicare and Medicaid Services that results in the same total aggregate pool amounts, and, to the greatest extent feasible, comparable distribution set forth in clauses (x) and (xi) of this subparagraph, and such substitution shall not require further legislative action.

(xiii) Supplemental payment amounts established in accordance with clauses (x) and (xi) of this subparagraph shall apply for the state fiscal year commencing July 1, 2026, and for each state fiscal year thereafter, notwithstanding any requirement to update, refresh or rebase the upper payment limit demonstration to comply with federal law or guidance. Any adjustment required to ensure compliance with applicable upper payment limit requirements shall be made solely in accordance with subparagraph (C) of subdivision (4) of this subsection.

(xiv) Commencing upon the beginning of any state fiscal year in which the base year used to calculate the net patient revenue for the tax on the provision of inpatient hospital services and the tax on outpatient hospital services pursuant to subdivision (4) of subsection (a) of section 12-263q occurs, the Commissioner of Social Services shall, after conferring with the Connecticut Hospital Association, revise, to the extent necessary, the supplemental payment pool structure, pool amounts, disproportionate share hospital payment amounts and

distribution methodologies set forth in this subdivision so that the combined value of supplemental payments, disproportionate share hospital payments, hospital-based physician and mid-level practitioner payments, hospital-affiliated medical group payments and faculty practice plan payments to each health system and its affiliates is maintained in a manner as proportionate as practicable in relation to the updated all-payer revenue data used for such rebasing and anticipated total tax liability, with such variation as may be necessary to reflect updated provider status changes, federal approval requirements or compliance with federal law. In making such revisions, the commissioner shall consider the aggregate value of payments attributable to each health system and its affiliates, including payments made directly to hospitals, hospital-affiliated medical groups, faculty practice plans and hospital-based physician and mid-level practitioner services. For purposes of this clause, such aggregate value shall include the value of historical rate-based payment increases, which, solely for purposes of this clause, are assumed to be in the amount of three hundred seventy-five million four hundred forty-seven thousand three dollars, reallocated to reflect utilization for the applicable base year.

(4) (A) All supplemental payments made pursuant to subdivision (3) of this subsection shall be made in compliance with applicable federal law governing Medicaid payments and federal financial participation, including, but not limited to: (i) Sections 1902(a)(30)(A), 1903 and 1923 of the Social Security Act; and (ii) 42 CFR Part 447, including the Medicaid Upper Payment Limit regulations, as amended from time to time.

(B) The Commissioner of Social Services shall calculate and monitor applicable aggregate and provider-specific upper payment limits for each class of providers to ensure compliance with federal requirements. Subject to approval by the Centers for Medicare and Medicaid Services, on or before June thirtieth of each fiscal year, the Department of Social

Services shall calculate and submit the inpatient and outpatient hospital upper payment limit demonstrations for the upcoming fiscal year to the Centers for Medicare and Medicaid Services or, if not approved by the Centers for Medicare and Medicaid Services, the inpatient and outpatient hospital upper limit demonstrations for the current fiscal year. The Department of Social Services shall consult with the Connecticut Hospital Association at least fifteen days before submission to the Centers for Medicare and Medicaid Services.

(C) (i) Notwithstanding any other provision of this subsection, if, at any time during a state fiscal year, the Commissioner of Social Services determines that one or more of the supplemental payments and other payments set forth in this subsection scheduled for a future quarter may exceed an applicable aggregate or provider-specific upper payment limit or violate any federal requirement in a manner that makes any extent of payments ineligible for federal financial participation or otherwise fails to maximize federal financial participation, as determined by the commissioner, the commissioner may, in consultation with the Secretary of the Office of Policy and Management and the Connecticut Hospital Association, to the extent feasible, revise the payment structure in a manner that ensures ongoing compliance with all applicable federal requirements and which, in aggregate, produces a total state-wide level of payments that is not materially less than the total state-wide level of payments contemplated under this subsection, and that result in the combined value of supplemental payments, disproportionate share hospital payments, faculty practice plan payments and hospital-affiliated medical group payments to each health system and its affiliates being as nearly equivalent as practicable to the payment levels contemplated under this subsection, with variation permitted only to the extent necessary to obtain federal approval, comply with federal law or maximize federal financial participation.

(ii) If the Commissioner of Social Services determines that it is not possible to make the adjustments set forth in clause (i) of this subparagraph, then, notwithstanding subparagraph (A) of subdivision (4) of this subsection, if, at any time during a state fiscal year, the commissioner determines that supplemental payments scheduled for a future quarter may exceed an applicable aggregate or provider-specific upper payment limit or any other federal requirement that makes any portion of such payments ineligible for federal financial participation, the commissioner shall continue to make the scheduled supplemental payments to eligible providers and adjust such payments solely to the extent necessary to account for any portion of federal financial participation that is disallowed, deferred, or otherwise unavailable as a result of the upper payment limit determination.

(iii) Any adjustment made pursuant to clause (ii) of this subparagraph, whether implemented prospectively through payment reductions or retrospectively through recoupment, shall be limited to the amount of federal financial participation that is disallowed or deferred due to upper payment limit requirements; and, in the case of hospital supplemental payments, be applied on a pro rata basis across the affected provider or service class or classes in proportion to each provider's share of the applicable supplemental payment pool for the relevant period. In no event shall the state reduce or recover amounts exceeding the federal share disallowed as a result of upper payment limit requirements.

(5) Nothing in this subsection shall be construed to relieve the state of its obligation to ensure compliance with federal Medicaid requirements or to prevent the Commissioner of Social Services from adopting policies, procedures or regulations necessary to maintain federal approval of the state Medicaid plan.

(6) Payments authorized under subdivision (3) of this subsection shall be based on each entity's characteristics as of January 1, 2025,

absent dissolution or a change in status from a nongovernmental entity. Payments under this subsection shall continue to be made to any successor organization resulting from a merger, consolidation or acquisition, provided such successor organization remains a nongovernmental hospital eligible for Medicaid enrollment. In the event that an entity existing as of January 1, 2025, was acquired by more than one entity thereafter, payments that would be due to that entity will be equitably apportioned among the acquirors.

[(B) The Department of Social Services shall not pay Medicaid supplemental payments in a manner that does not comply with applicable federal requirements and required federal approvals, including, but not limited to, payments that cause total hospital payments in an applicable category to exceed the upper payment limit, as defined in section 17b-239.**]**

[(4)**]** (7) From July 1, 2019, through June 30, 2026, the Department of Social Services shall make supplemental payments to the applicable hospitals on or before the last day of the first month of each calendar quarter, except that payments scheduled to be made before December 19, 2019, shall be made not later than thirty days after December 19, 2019.

[(5)**]** (8) If a nongovernmental licensed short-term general hospital located in the state merges or consolidates with or is acquired by another hospital, such that the hospital does not continue to maintain a separate short-term general hospital license, the supplemental payments that would have been paid to the hospital that no longer maintains such license shall be paid instead to the surviving hospital, beginning with the first calendar quarter that commences on or after the effective date of the merger, consolidation or acquisition. If a nongovernmental licensed short-term general hospital located in the state dissolves, ceases to operate or otherwise terminates licensed short-term general hospital services, the supplemental payments that would have been paid to such

hospital shall not be paid to any other hospital for the remainder of the fiscal year in which such hospital dissolves, ceases operations or otherwise terminates such services and for any fiscal year thereafter. **[**Commencing with the fiscal year after the hospital dissolved, ceased to operate or otherwise terminated such services, the supplemental payments that would have been made to such hospital shall be redistributed to all other nongovernmental licensed short-term general hospitals located in the state in accordance with the distribution methodology set forth in the settlement agreement for each supplemental pool.**]**

[(6)**]** (9) Both the state and federal share of supplemental payments set forth in this subsection shall be appropriated to the Department of Social Services. Such supplemental payments shall not be subject to rescissions or holdbacks. Nothing in this section shall affect the authority of the state to recover overpayments and collect unpaid liabilities, as authorized by law.

[(d) To the extent required by the settlement agreement, including any court order issued in accordance with the provisions of section 12-263z, the commissioner shall make the supplemental payments set forth in this section effective for the dates of service set forth in this section, including payment adjustments to reconcile, in accordance with this section, supplemental payments made to hospitals for the calendar quarter ending September 30, 2019, as interim payments. Such reconciliation shall ensure that, after accounting for such payment adjustments, the actual supplemental payments made to each hospital shall be the amounts due to each hospital pursuant to the settlement agreement, even if federal approvals are received after each applicable date that supplemental payments are required to be made, provided the supplemental payments remain subject to federal approval. If federal approval of such payments is not obtained, such payments may later be recovered by the commissioner by recoupment against other Medicaid

payments due to a hospital or in any manner authorized by law.**]**

Sec. 364. Section 19a-754f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

For the purposes of this section and sections 19a-754g to 19a-754k, inclusive:

(1) "All-payer claims database" means the database established under section 19a-755a;

(2) "Drug manufacturer" means the manufacturer of a drug that is: (A) Included in the information and data submitted by a health carrier pursuant to section 38a-479qqq, (B) studied or listed pursuant to subsection (c) or (d) of section 19a-754b, or (C) in a therapeutic class of drugs that the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management determines, through public or private reports, has had a substantial impact on prescription drug expenditures, net of rebates, as a percentage of total health care expenditures;

[(2) "Commissioner" means the Commissioner of Health Strategy;**]**

(3) "Health care cost growth benchmark" means the annual benchmark established pursuant to section 19a-754g;

(4) "Health care quality benchmark" means an annual benchmark established pursuant to section 19a-754g;

(5) "Health care provider" has the same meaning as provided in subdivision (1) of subsection (a) of section 19a-17b;

(6) "Hospital payment growth benchmark" means a benchmark value to measure annual hospital payment growth that is equal to the cost growth benchmark value established in section 19a-754g;

(7) "Hospital payment growth methodology" means a methodology

developed by the secretary to measure a hospital's annual change in standardized payment per unit of service, by market or service category, or both, while holding utilization constant and adjusting for, or otherwise taking into consideration, the factors set forth in subdivision (2) of subsection (a) of section 19a-754i to distinguish payment growth from changes in utilization, clinical risk, service volume, service mix and payer reimbursement practices;

[(6)**]** (8) "Net cost of private health insurance" means the difference between premiums earned and benefits incurred, and includes insurers' costs of paying bills, advertising, sales commissions, and other administrative costs, net additions or subtractions from reserves, rate credits and dividends, premium taxes and profits or losses;

[(7)**]** (9) "Office" means the Office of **[**Health Strategy established under section 19a-754a**]** Policy and Management;

[(8)**]** (10) "Other entity" means a drug manufacturer, pharmacy benefits manager or other health care provider that is not considered a provider entity;

[(9)**]** (11) "Payer" means a payer, including Medicaid, Medicare and governmental and nongovernment health plans, and includes any organization acting as payer that is a subsidiary, affiliate or business owned or controlled by a payer that, during a given calendar year, pays health care providers for health care services or pharmacies or provider entities for prescription drugs designated by the **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management;

[(10)**]** (12) "Performance year" means the most recent calendar year for which data were submitted for the applicable health care cost growth benchmark, primary care spending target or health care quality benchmark;

[(11)**]** (13) "Pharmacy benefits manager" has the same meaning as

provided in subdivision (10) of section 38a-479ooo;

[(12)**]** (14) "Primary care spending target" means the annual target established pursuant to section 19a-754g;

[(13)**]** (15) "Provider entity" means an organized group of clinicians that come together for the purposes of contracting, or are an established billing unit that, at a minimum, includes primary care providers, and that collectively, during any given calendar year, has enough attributed lives to participate in total cost of care contracts, even if they are not engaged in a total cost of care contract;

[(14)**]** (16) "Potential gross state product" means a forecasted measure of the economy that equals the sum of the (A) expected growth in national labor force productivity, (B) expected growth in the state's labor force, and (C) expected national inflation, minus the expected state population growth;

(17) "Secretary" means the Secretary of the Office of Policy and Management;

[(15)**]** (18) "Total health care expenditures" means the sum of all health care expenditures in this state from public and private sources for a given calendar year, including: (A) All claims-based spending paid to providers, net of pharmacy rebates, (B) all patient cost-sharing amounts, and (C) the net cost of private health insurance; and

[(16)**]** (19) "Total medical expense" means the total cost of care for the patient population of a payer or provider entity for a given calendar year, where cost is calculated for such year as the sum of (A) all claims-based spending paid to providers by public and private payers, and net of pharmacy rebates, (B) all nonclaims payments for such year, including, but not limited to, incentive payments and care coordination payments, and (C) all patient cost-sharing amounts expressed on a per capita basis for the patient population of a payer or provider entity in

this state.

Sec. 365. Section 19a-754g of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

[(a) Not later than July 1, 2022, the commissioner shall publish (1) the health care cost growth benchmarks and annual primary care spending targets as a percentage of total medical expenses for the calendar years 2021 to 2025, inclusive, and (2) the annual health care quality benchmarks for the calendar years 2022 to 2025, inclusive, on the office's Internet web site.**]**

[(b) (1) (A)**]** (a) (1) Not later than July 1, 2025, and every five years thereafter, the **[**commissioner**]** secretary shall develop and adopt annual health care cost growth benchmarks and annual primary care spending targets for the succeeding five calendar years for provider entities and payers.

[(B) In developing the health care cost growth benchmarks and primary care spending targets pursuant to this subdivision, the commissioner shall consider (i) any historical and forecasted changes in median income for individuals in the state and the growth rate of potential gross state product, (ii) the rate of inflation, and (iii) the most recent report prepared by the commissioner pursuant to subsection (b) of section 19a-754h.**]**

(2) Notwithstanding the provisions of subdivision (1) of this subsection, not later than July 1, 2027, the secretary shall establish the annual cost growth benchmark as follows:

(A) For calendar years 2028 to 2032, inclusive, the health care cost growth benchmark shall be equal to three and nine-tenths per cent.

(B) For calendar year 2033, and every five years thereafter, the

secretary shall develop and adopt annual health care cost growth benchmarks for the succeeding five calendar years for provider entities and payers that shall be equal to the sum of twenty per cent of the projected growth in median Connecticut household income and eighty per cent of the greater of: (i) Growth in Connecticut potential gross state product for such year, or (ii) the annual growth in the employment cost index for total compensation for private industry workers in the New England Census Region published by the United States Bureau of Labor Statistics, or any successor regional labor cost index designated by the secretary, for such year.

[(C) (i)**]** (b) The **[**commissioner**]** secretary shall hold at least one informational public hearing prior to adopting the health care cost growth benchmarks and primary care spending targets for each succeeding five-year period described in this subdivision. The **[**commissioner**]** secretary may hold informational public hearings concerning any annual health care cost growth benchmark and primary care spending target set pursuant to subsection (a) of this section. **[**or subdivision (1) of subsection (b) of this section.**]** Such informational public hearings shall be held at a time and place designated by the **[**commissioner**]** secretary in a notice prominently posted by the **[**commissioner**]** secretary on the office's Internet web site and in a form and manner prescribed by the commissioner. The **[**commissioner**]** secretary shall make available on the office's Internet web site a summary of any such informational public hearing and include the **[**commissioner's**]** secretary's recommendations, if any, to modify or not to modify any such annual quality benchmark or target.

[(ii) If the commissioner determines, after any informational public hearing held pursuant to this subparagraph, that a modification to any health care cost growth benchmark or annual primary care spending target is, in the commissioner's discretion, reasonably warranted, the commissioner may modify such benchmark or target.**]**

(c) (1) Not later than July 1, 2027, the secretary, in consultation with an association of hospitals in the state, shall develop and adopt hospital payment growth methodology to measure a hospital's annual change in payment per unit. Such methodology shall be effective for performance year 2028, and shall, to the maximum extent feasible, adjust for or otherwise take into consideration the factors set forth in subdivision (2) of subsection (a) of section 19a-754i.

(2) Before finalizing the methodology, the secretary shall provide each hospital with its hospital-specific preliminary results, the data and assumptions used to calculate such results and a period of not less than ninety days to validate, verify or challenge such methodology, data, assumptions and preliminary results. The secretary shall consider all timely corrections or challenges submitted by a hospital and shall amend the methodology or preliminary results as appropriate.

(3) Not later than January 1, 2029, the secretary shall publish the final hospital payment growth methodology on the office's Internet web site, together with a written response to material comments received, a description of any changes made to the methodology following testing and validation and an explanation of how the methodology accounts for material changes in patient acuity, clinical complexity, severity of illness, case mix, service intensity, payer mix, service mix, coding guidance, payer claims adjudication practices and services provided.

[(iii)**]** (4) The **[**commissioner**]** secretary shall annually **[**(I)**]** (A) review the current and projected rate of inflation, and **[**(II)**]** (B) include on the office's Internet web site the **[**commissioner's**]** secretary's findings of such review, including the reasons for making or not making a modification to any applicable health care cost growth benchmark. If the **[**commissioner**]** secretary determines that the rate of inflation requires modification of any health care cost growth benchmark adopted under this section, the **[**commissioner**]** secretary may modify such benchmark. In such event, the **[**commissioner**]** secretary shall not be required to hold

an informational public hearing concerning such modified health care cost growth benchmark.

[(D) The commissioner shall post each adopted health care cost growth benchmark and annual primary care spending target on the office's Internet web site.

(E) Notwithstanding the provisions of subparagraphs (A) to (D), inclusive, of this subdivision, if the average annual health care cost growth benchmark for a succeeding five-year period described in this subdivision differs from the average annual health care cost growth benchmark for the five-year period preceding such succeeding five-year period by more than one-half of one per cent, the commissioner shall submit the annual health care cost growth benchmarks developed for such succeeding five-year period to the joint standing committee of the General Assembly having cognizance of matters relating to insurance for the committee's review and approval. The committee shall be deemed to have approved such annual health care cost growth benchmarks for such succeeding five-year period, except upon a vote to reject such benchmarks by the majority of committee members at a meeting of such committee called for the purpose of reviewing such benchmarks and held not later than thirty days after the commissioner submitted such benchmarks to such committee. If the committee votes to reject such benchmarks, the **c**ommissioner may submit to the committee modified annual health care cost growth benchmarks for such succeeding five-year period for the committee's review and approval in accordance with the provisions of this subparagraph. The commissioner shall not be required to hold an informational public hearing concerning such modified benchmarks. Until the joint standing committee of the General Assembly having cognizance of matters relating to insurance approves annual health care cost growth benchmarks for the succeeding five-year period, such benchmarks shall be deemed to be equal to the average annual health care cost growth

benchmark for the preceding five-year period.**]**

(d) In developing and adopting primary care spending targets pursuant to subdivision (1) of subsection (a) of this section, the secretary shall:

(1) Use total medical expense as the denominator and include in primary care spending both claims-based and nonclaims-based payments attributable to primary care providers, primary care services and primary care infrastructure, including, but not limited to, primary care capitation, care management and care coordination payments, as determined by the secretary, and may exclude market-specific factors, such as long-term care, as determined by the secretary;

(2) Establish separate market-specific primary care spending targets for the commercial market, Medicaid, Medicare and Medicare Advantage, to the extent feasible and practicable, and adjust the calculation and assessment of each payer and provider against the market-specific primary care spending target to account for material differences in age and sex distribution;

(3) Adopt annual market-specific targets for the succeeding five calendar years that reflect progressive improvement toward a market-specific reference percentage determined by the secretary based on primary care access needs, workforce capacity, health equity and comparable market data, provided the cumulative increase in any such target over such five-year period shall not exceed five per cent of such adjusted baseline; and

(4) Calculate the state-wide annual primary care spending target as the member-month weighted average of the market-specific targets established pursuant to this subdivision.

[(2) (A)**]** (e) (1) Not later than July 1, 2025, and every five years thereafter, the **[**commissioner**]** secretary shall develop and adopt annual

health care quality benchmarks for the succeeding five calendar years for provider entities and payers.

[(B)**]** (2) In developing annual health care quality benchmarks pursuant to this subdivision, the **[**commissioner**]** secretary shall consider **[**(i)**]** (A) quality measures endorsed by nationally recognized organizations, including, but not limited to, the National Quality Forum, the National Committee for Quality Assurance, the Centers for Medicare and Medicaid Services, the National Centers for Disease Control and Prevention, the Joint Commission and expert organizations that develop health equity measures, and **[**(ii)**]** (B) measures that: **[**(I)**]** (i) Concern health outcomes, overutilization, underutilization and patient safety, **[**(II)**]** (ii) meet standards of patient-centeredness and ensure consideration of differences in preferences and clinical characteristics within patient subpopulations, and **[**(III)**]** (iii) concern community health or population health.

[(C) (i)**]** (f) (1) The **[**commissioner**]** secretary shall hold at least one informational public hearing prior to adopting the health care quality benchmarks for each succeeding five-year period described in this subdivision. The **[**commissioner**]** secretary may hold informational public hearings concerning the quality measures the **[**commissioner**]** secretary proposes to adopt as health care quality benchmarks. Such informational public hearings shall be held at a time and place designated by the **[**commissioner**]** secretary in a notice prominently posted by the **[**commissioner**]** secretary on the office's Internet web site and in a form and manner prescribed by the **[**commissioner**]** secretary. The **[**commissioner**]** secretary shall make available on the office's Internet web site a summary of any such informational public hearing and include the recommendations, if any, to modify or not modify any such health care quality benchmark.

[(ii)**]** (2) If the **[**commissioner**]** secretary determines, after any informational public hearing held pursuant to this subparagraph, that

modifications to any health care quality benchmarks are, in the **[**commissioner's**]** secretary's discretion, reasonably warranted, the **[**commissioner**]** secretary may modify such quality benchmarks. The **[**commissioner**]** secretary shall not be required to hold an additional informational public hearing concerning such modified quality benchmarks.

[(D)**]** (3) The **[**commissioner**]** secretary shall post each adopted health care quality benchmark on the office's Internet web site.

[(c)**]** (g) The **[**commissioner**]** secretary may enter into such contractual agreements as may be necessary to carry out the purposes of this section, including, but not limited to, contractual agreements with actuarial, economic and other experts and consultants.

(h) In implementing the provisions of this section, the secretary shall not later than July 1, 2028, perform the following functions:

(1) Adopt and make available on the office's Internet web site a revised methodology for analyzing data from the all-payer claims database and for identifying entities that are significant contributors to health care cost growth. Such methodology shall use data analytics that examine the contribution of material changes in clinical risk payment methodologies that have a material change on cost growth measures;

(2) Adopt and make available on the office's Internet web site a revised methodology for assessing compliance with the health care cost growth benchmark. Such methodology shall assess cost growth for each provider entity and hospital in the aggregate across governmental and private payers and shall adjust for clinical risk, and account for changes in payment methodologies that have a material change on cost growth measures; and

(3) Nothing in this subsection shall prevent the secretary from reporting the cost growth performance of each provider at the market

level.

Sec. 366. Section 19a-754h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) Not later than August **[**15, 2022, and**]** fifteenth annually, **[**thereafter,**]** each payer and hospital shall report to the **[**commissioner**]** secretary, in a form and manner prescribed by the **[**commissioner**]** secretary, for the preceding or prior years, if the **[**commissioner**]** secretary so requests based on material changes to data previously submitted, aggregated data, including aggregated self-funded data as applicable, necessary for the **[**commissioner**]** secretary to calculate total health care expenditures, primary care spending as a percentage of total medical expenses, **[**and**]** net cost of private health insurance, and performance toward the hospital payment growth benchmark, as applicable. The secretary shall seek to limit the burden of reporting requirements and rely on data sources available to the secretary before seeking data reporting from hospitals. Each payer shall also disclose, as requested by the **[**commissioner**]** secretary, payer data required for adjusting total medical expense calculations to reflect changes in the patient population.

(b) Not later than March **[**31, 2023, and**]** thirty-first annually, **[**thereafter, the commissioner**]** the secretary shall prepare and post on the office's Internet web site, a report concerning the total health care expenditures utilizing the total aggregate medical expenses reported by payers pursuant to subsection (a) of this section, including, but not limited to, a breakdown of such population-adjusted total medical expenses by payer and provider entities. The report may include, but **[**shall**]** need not be limited to, information regarding the following:

(1) Trends in major service category spending;

(2) **[**Primary care spending as a percentage of total medical expenses**]**

For each market and payer, both (A) the percentage of total medical expense devoted to primary care, and (B) primary care spending expressed on a per-member-per-month basis;

(3) The net cost of private health insurance by payer by market segment, including individual, small group, large group, self-insured, student and Medicare Advantage markets; and

(4) Any other factors the **[**commissioner**]** secretary deems relevant to providing context on such data, which shall include, but not be limited to, the following factors: (A) The impact of the rate of inflation and rate of medical inflation; (B) impacts, if any, on access to care; and (C) responses to public health crises or similar emergencies.

(c) Not later than March 31, 2029, and annually thereafter, the secretary shall prepare and post on the office's Internet web site a report concerning each hospital's payment growth compared to the hospital payment growth benchmark in applicable markets, as determined by the secretary, using the hospital payment growth methodology for inpatient and outpatient services.

[(c)**]** (d) The **[**commissioner**]** secretary shall annually submit a request to the federal Centers for Medicare and Medicaid Services for the unadjusted total medical expenses of Connecticut residents.

[(d)**]** (e) Not later than August **[**15, 2023, and**]** fifteenth annually, **[**thereafter,**]** each payer or provider entity shall report to the **[**commissioner**]** secretary, in a form and manner prescribed by the **[**commissioner**]** secretary, for the preceding year, and for prior years if the **[**commissioner**]** secretary so requests based on material changes to data previously submitted, on the health care quality benchmarks adopted pursuant to section 19a-754g.

[(e)**]** (f) Not later than March **[**31, 2024, and**]** thirty-first annually, **[**thereafter, the commissioner**]** the secretary shall prepare and post on

the office's Internet web site, a report concerning health care quality benchmarks reported by payers and provider entities pursuant to subsection (d) of this section.

[(f)**]** (g) The **[**commissioner**]** secretary may enter into such contractual agreements as may be necessary to carry out the purposes of this section, including, but not limited to, contractual agreements with actuarial, economic and other experts and consultants.

(h) Not later than July 1, 2028, the secretary shall establish and coordinate a process by which payers and provider entities may review data submitted and provide information and feedback that may improve the accuracy of the data prior to release of the report required by subsection (b) of this section.

Sec. 367. Section 19a-754i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) (1) For each calendar year, beginning on January 1, 2023, the **[**commissioner**]** secretary shall, if the payer or provider entity subject to the cost growth benchmark, quality benchmarking or primary care spending target **[**so**]** requests **[**,**]** a meeting, meet with such payer or provider entity to review and validate the total medical expenses data collected pursuant to section 19a-754h for such payer or provider entity. The **[**commissioner**]** secretary shall review information provided by the payer or provider entity and, if deemed necessary, amend findings for such payer or provider prior to the identification of payer or provider entities that exceeded the health care cost growth benchmark or failed to meet the primary care spending target for the performance year as set forth in section 19a-754h. Not later than July 1, 2028, in assessing compliance with the health care cost growth benchmark and determining whether to identify a payer or provider entity as exceeding such benchmark, the secretary shall use the revised methodology adopted pursuant to subdivision (2) of subsection (c) of section 19a-

754g, and shall not identify any payer or provider entity as exceeding such benchmark based solely on commercial payment growth, or on commercial trends viewed in isolation. In assessing compliance with the hospital payment growth benchmark and in determining whether to identify a hospital as exceeding such benchmark, the secretary shall use the hospital payment growth methodology, including consideration of the factors set forth in subdivision (2) of this subsection, and shall not identify any hospital as exceeding the hospital payment growth benchmark based solely on commercial payment growth, or on commercial trends viewed in isolation. Such assessment shall specifically consider unique circumstances applicable to pediatric providers. The **[**commissioner**]** secretary shall identify, not later than May first of such calendar year, each payer or provider entity that exceeded the health care cost growth benchmark or failed to meet the primary care spending target or quality benchmarks for the performance year.

(2) Not later than July 1, 2028, the following factors shall, to the extent feasible and practicable, be considered in assessing compliance with the hospital payment growth benchmark:

(A) Changes in patient acuity, clinical complexity, case mix, service intensity, severity of illness, social risk factors and shifts in services provided;

(B) Regional labor market conditions, workforce shortages, inflationary pressures, pharmaceutical and medical supply costs, capital expenditures, governmental mandates and changes in federal or state law, regulation or reimbursement policy materially affecting hospital costs or payments;

(C) Services, payment changes, utilization changes or cost increases attributable to public health emergencies, new technologies, new service lines, changes in coding guidance, payer claims adjudication practices,

including downcoding, downgrading, bundling, denials, payment edits and other payer coding or reimbursement policies, changes in payer mix, supplemental or directed payments, graduate medical education payments, disproportionate share hospital payments, uncompensated care or other factors determined by the secretary to materially distort year-to-year comparisons; and

(D) Payment growth separately and in the aggregate across governmental and nongovernmental payers and the extent to which governmental payer payment growth lags hospital input cost growth or contributes to nongovernmental payment growth.

[(2)**]** (3) For each calendar year beginning on or after January 1, 2024, the **[**commissioner**]** secretary shall, if the payer or provider entity subject to the health care quality benchmarks for the performance year **[**so**]** requests **[**,**]** a meeting, meet with such payer or provider entity to review and validate the quality data collected pursuant to section 19a-754h for such payer or provider entity. The **[**commissioner**]** secretary shall review information provided by the payer or provider entity and, if deemed necessary, amend findings for such payer or provider prior to the identification of payer or provider entities that exceeded the health care quality benchmark as set forth in section 19a-754h. The **[**commissioner**]** secretary shall identify, not later than May first of such calendar year, each payer or provider entity that exceeded the health care quality benchmark for the performance year.

[(3)**]** (4) Not later than thirty days after the **[**commissioner**]** secretary identifies each payer or provider entity pursuant to subdivisions (1) and (2) of this subsection, the **[**commissioner**]** secretary shall send a notice to each such payer or provider entity. Such notice shall be in a form and manner prescribed by the **[**commissioner**]** secretary, and shall disclose to each such payer or provider entity:

(A) That the **[**commissioner**]** secretary has identified such payer or

provider entity pursuant to subdivision **[**(1) or**]** (2) or (3) of this subsection; and

(B) The factual basis for the **[**commissioner's**]** secretary's identification of such payer or provider entity pursuant to subdivision **[**(1) or**]** (2) or (3) of this subsection.

(b) (1) For each calendar year beginning on and after January 1, 2023, if the **[**commissioner**]** secretary determines that the annual percentage change in total health care expenditures for the performance year exceeded the health care cost growth benchmark for such year, the **[**commissioner**]** secretary shall identify, not later than May first of such calendar year, any other entity that significantly contributed to exceeding such benchmark. Each identification **[**shall**]** may be based on:

(A) The report prepared by the **[**commissioner**]** secretary pursuant to subsection (b) of section 19a-754h for such calendar year;

(B) The report filed pursuant to section 38a-479ppp for such calendar year;

(C) The information and data reported to the office pursuant to subsection (d) of section 19a-754b for such calendar year;

(D) Information obtained from the all-payer claims database; **[**established under section 19a-755a;**]** and

(E) Any other information that the **[**commissioner**]** secretary, in the **[**commissioner's**]** secretary's discretion, deems relevant for the purposes of this section.

(2) The **[**commissioner**]** secretary shall account for costs, net of rebates and discounts, when identifying other entities pursuant to this section.

(c) The secretary shall provide notice to all payers, provider entities, other entities and hospitals that have been identified as exceeding the

health care cost growth benchmark or hospital benchmark, as applicable, for any given year. Beginning with the performance of a provider entity or hospital in calendar year 2029, unless otherwise set forth in specific elements of an approval or agreement with the state, such as a certificate of need approval, the secretary may, beginning in the calendar year in which 2029 performance is assessed, require any provider entity that is identified as exceeding the health care cost growth benchmark, or any hospital that is identified as exceeding the hospital payment growth benchmark, to file a cost growth benchmark plan with the secretary, in a form and manner prescribed by the secretary. The secretary shall provide written notice to such provider entity or hospital, including supporting data, that such provider entity or hospital is required to file a cost growth benchmark plan. Not later than forty-five days after receipt of such written notice, such provider entity or hospital shall:

(1) File a complete cost growth benchmark plan with the secretary;

(2) File an application to waive or extend the requirement to file a cost growth benchmark plan; or

(3) File information based on the supporting data provided by the secretary to dispute the finding that the provider entity or hospital exceeded the cost growth benchmark in the given year, in a form and manner prescribed by the secretary.

(d) The provider entity or hospital may file any documentation or supporting evidence with the secretary to support the provider entity's or hospital's application to waive or extend the requirement to file a cost growth benchmark plan. The secretary shall require the provider entity or hospital to submit any other relevant information the secretary deems necessary in considering the waiver or extension application, provided such information, except propriety information or information subject to state or federal confidentiality requirements, shall be made public at

the discretion of the secretary.

(e) The secretary may (1) deny the dispute of the findings that the provider entity or hospital has exceeded the cost growth benchmark or hospital payment growth benchmark, (2) accept the provider entity's or hospital's data and justification that the provider entity or hospital has not exceeded the relevant growth benchmark for such year, (3) waive the requirement for a provider entity or hospital to file a cost growth benchmark plan, or (4) delay the requirement for a provider entity or hospital to file a cost growth benchmark plan in response to a waiver or extension request filed under subsection (c) of this section in light of all information received from the provider entity or hospital, based on a consideration of the following factors:

(A) The costs, price and utilization trends of the provider entity or hospital over time, and any demonstrated improvement to reduce health status total medical expenses;

(B) Any ongoing strategies or investments that the provider entity or hospital is implementing to improve future long-term efficiency and reduce cost growth;

(C) Whether the factors that led to increased costs for the provider entity or hospital can reasonably be considered to be unanticipated and outside of the control of the provider entity or hospital. Such factors may include, but need not be limited to, age and other health-status-adjusted factors and other cost inputs such as pharmaceutical expenses and medical device expenses, or any catastrophic event, whether manmade or natural;

(D) The overall financial condition of the provider entity or hospital;

(E) The annual growth in the inpatient hospital market basket published by the Centers for Medicare and Medicaid Services, or any successor hospital input price index designated by the secretary, for

such year;

(F) The annual growth in the Employment Cost Index for total compensation for private industry workers in the New England Census Region published by the United States Bureau of Labor Statistics, or any successor regional labor cost index designated by the secretary, for such year;

(G) The performance across all markets in the aggregate; and

(H) The factors identified in subdivision (2) of subsection (a) of section 19a-754i and any other factors the secretary considers relevant.

(f) If the secretary declines to waive or extend the requirement for the provider entity or hospital to file a cost growth benchmark plan, the secretary shall provide written notice to the provider entity or hospital that its application for a waiver or extension was denied and the provider entity or hospital shall file a cost growth benchmark plan.

(g) A provider entity or hospital shall file a cost growth benchmark plan: (1) Not later than forty-five days after receipt of a notice under subsection (c) of this section; (2) if the provider entity or hospital has requested a waiver or extension, not later than forty-five days after receipt of a notice that such waiver or extension has been denied; or (3) if the provider entity or hospital is granted an extension, on the date given on such extension. The provider entity or hospital shall generate the cost growth benchmark plan that shall identify the causes of the provider entity's or hospital's cost growth and include, but need not be limited to, specific strategies, adjustments and action steps the provider entity or hospital proposes to implement to improve cost performance. The cost growth benchmark plan shall include specific identifiable and measurable expected outcomes and a timetable for implementation that shall not exceed eighteen months.

(h) The secretary shall approve any cost growth benchmark plan that

the secretary determines is reasonably likely to address the underlying cause of the provider entity's or hospital's cost growth and has reasonable expectations for successful implementation.

(i) If the secretary determines that the cost growth benchmark plan is unacceptable or incomplete, the secretary may provide consultation on the criteria that have not been met and may allow an additional time period, up to thirty calendar days, for resubmission, provided all aspects of the cost growth benchmark plan shall be proposed by the provider entity or hospital and the secretary shall not require specific elements for approval.

(j) Upon approval of the cost growth benchmark plan, the secretary shall notify the provider entity or hospital to begin immediate implementation of the cost growth benchmark plan. The secretary shall provide public notice on the office's Internet web site stating that the provider entity or hospital is implementing a cost growth benchmark plan. All provider entities and hospitals implementing an approved cost growth benchmark plan may be subject to additional reasonable reporting requirements and compliance monitoring, as determined by the secretary.

(k) Each provider entity and hospital shall, in good faith, work to implement the cost growth benchmark plan. At any point during the implementation of the cost growth benchmark plan, the provider entity or hospital may file one or more amendments to the cost growth benchmark plan, subject to approval of the secretary.

(l) At the conclusion of the timetable established in the cost growth benchmark plan, the provider entity or hospital shall report to the secretary regarding the outcome of the cost growth benchmark plan. If the cost growth benchmark plan was found to be unsuccessful, the secretary shall (1) extend the implementation timetable of the existing cost growth benchmark plan; (2) approve any amendment to the cost

growth benchmark plan as proposed by the provider entity or hospital; (3) require the provider entity or hospital to submit a new cost growth benchmark plan; (4) waive or delay the requirement to file any additional cost growth benchmark plans; or (5) implement the financial penalty under subsection (n) of this section.

(m) Upon the successful completion of the cost growth benchmark plan, the identity of the provider entity or hospital shall be removed from the office's Internet web site.

(n) If the secretary determines that a provider entity or hospital has (1) wilfully neglected to file a cost growth benchmark plan with the secretary not later than forty-five days after receipt of the notice required under subsection (c) of this section, (2) failed to file an acceptable cost growth benchmark plan in good faith with the secretary, (3) failed to implement the cost growth benchmark plan in good faith, or (4) knowingly failed to provide information required by this section to the secretary or knowingly falsified such information, the secretary may require the provider entity or hospital to submit for review a one-time community investment project with a focus on addressing population health to the Commissioner of Social Services. In the case of a hospital, such project shall be informed by the most recently completed community health needs assessment and have a focus on addressing population health. The value of the project shall be up to one hundred thousand dollars for a small hospital with fewer than one hundred eighty licensed beds, up to two hundred thousand dollars for a midsize hospital with one hundred eighty or more licensed beds and fewer than five hundred licensed beds, and up to four hundred thousand dollars for a large hospital with five hundred or more licensed beds. The secretary shall consider waiving the submission of a one-time community investment project by financially distressed provider entities or hospitals. For purposes of this subsection, "financially distressed provider entity or hospital" means a provider entity or

hospital that has an operating margin of less than one per cent.

Sec. 368. Section 19a-754j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) (1) Not later than June **[**30, 2023, and**]** thirtieth annually, **[**thereafter, the commissioner**]** the secretary shall hold an informational public hearing to compare the growth in total health care expenditures in the performance year to the health care cost growth benchmark established pursuant to section 19a-754g for such year. Such hearing shall involve an examination of:

(A) The report most recently prepared by the **[**commissioner**]** secretary pursuant to subsection (b) of section 19a-754h;

(B) The expenditures of provider entities and payers, including, but not limited to, health care cost trends, primary care spending as a percentage of total medical expenses and the factors contributing to such costs and expenditures; and

(C) Any other matters that the **[**commissioner**]** secretary, in the **[**commissioner's**]** secretary's discretion, deems relevant for the purposes of this section.

(2) The **[**commissioner**]** secretary may require any payer or provider entity that, for the performance year, is found to be a significant contributor to health care cost growth in the state or has failed to meet the primary care spending target, to participate in such hearing. Each such payer or provider entity that is required to participate in such hearing shall provide testimony on issues identified by the **[**commissioner**]** secretary and provide additional information on actions taken to reduce such payer's or entity's contribution to future state-wide health care costs and expenditures or to increase such payer's or provider entity's primary care spending as a percentage of total medical expenses.

(3) The **[**commissioner**]** secretary may require that any other entity that is found to be a significant contributor to health care cost growth in this state during the performance year participate in such hearing. Any other entity that is required to participate in such hearing shall provide testimony on issues identified by the **[**commissioner**]** secretary and provide additional information on actions taken to reduce such other entity's contribution to future state-wide health care costs. If such other entity is a drug manufacturer, and the **[**commissioner**]** secretary requires that such drug manufacturer participate in such hearing with respect to a specific drug or class of drugs, such hearing may, to the extent possible, include representatives from at least one brand-name manufacturer, one generic manufacturer and one innovator company that is less than ten years old.

(4) Not later than **[**October 15, 2023, and**]** January fifteenth annually, **[**thereafter, the commissioner**]** the secretary shall prepare and submit a report, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to insurance and public health. Such report shall be based on the **[**commissioner's**]** secretary's analysis of the information submitted during the most recent informational public hearing conducted pursuant to this subsection and any other information that the **[**commissioner**]** secretary, in the **[**commissioner's**]** secretary's discretion, deems relevant for the purposes of this section, and shall:

(A) Describe health care spending trends in this state, including, but not limited to, trends in primary care spending as a percentage of total medical expense, and the factors underlying such trends;

(B) Include the findings from the report prepared pursuant to subsection (b) of section 19a-754h; and

[(C) Describe a plan for monitoring any unintended adverse consequences resulting from the adoption of cost growth benchmarks

and primary care spending targets and the results of any findings from the implementation of such plan; and**]**

[(D)**]** (C) Disclose the **[**commissioner's**]** secretary's recommendations, if any, concerning strategies to increase the efficiency of the state's health care system, including, but not limited to, any recommended legislation concerning the state's health care system.

(b) (1) Not later than June **[**30, 2024, and**]** thirtieth annually, **[**thereafter, the commissioner**]** the secretary shall hold an informational public hearing to compare the performance of payers and provider entities in the performance year to the quality benchmarks established for such year pursuant to section 19a-754g. Such hearing shall include an examination of:

(A) The report most recently prepared by the **[**commissioner**]** secretary pursuant to subsection (e) of section 19a-754h; and

(B) Any other matters that the **[**commissioner**]** secretary, in the **[**commissioner's**]** secretary's discretion, deems relevant for the purposes of this section.

(2) The **[**commissioner**]** secretary may require any payer or provider entity that failed to meet any health care quality benchmarks in this state during the performance year to participate in such hearing. Each such payer or provider entity that is required to participate in such hearing shall provide testimony on issues identified by the **[**commissioner**]** secretary and provide additional information on actions taken to improve such payer's or provider entity's quality benchmark performance.

(3) Not later than **[**October 15, 2024, and**]** January fifteenth annually, **[**thereafter, the commissioner**]** the secretary shall prepare and submit a report, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters

relating to insurance and public health. Such report shall be based on the **[**commissioner's**]** secretary's analysis of the information submitted during the most recent informational public hearing conducted pursuant to this subsection and any other information that the **[**commissioner**]** secretary, in the **[**commissioner's**]** secretary's discretion, deems relevant for the purposes of this section, and shall:

(A) Describe health care quality trends in this state and the factors underlying such trends;

(B) Include the findings from the report prepared pursuant to subsection (e) of section 19a-754h; and

(C) Disclose the **[**commissioner's**]** secretary's recommendations, if any, concerning strategies to improve the quality of the state's health care system, including, but not limited to, any recommended legislation concerning the state's health care system.

(c) Not later than March first annually, the secretary shall notify any payer, provider entity, hospital or other entity that exceeded the cost growth benchmark, primary care spending target, quality benchmarks or hospital payment growth benchmark, as applicable. Upon the request of such payer, provider entity, hospital or other entity, including a drug manufacturer identified as a significant contributor, the secretary shall make available to such payer, provider entity, hospital or other entity (1) the all-payer claims database data sets, analytic files and methodology used to determine such benchmarks or targets, as applicable, provided the payer, provider entity, hospital or other entity receives approval from the all-payer claims database release committee, (2) payment of any required fees, and (3) an executed data release agreement for raw data to the extent permitted by law and sufficient to enable such entity to assess, verify or challenge the secretary's determination. The all payer claims database release committee shall expedite any release requests made by an entity under this section. Not

later than January 1, 2027, the secretary shall establish an expedited all-payer claims database data request process for payers, provider entities, hospitals and other entities identified as exceeding the cost growth benchmark, primary care spending target or hospital payment growth benchmark. Such process shall require the chairperson of such release committee, or the chairperson's designee, to meet with the secretary and approve or disapprove an application from an identified entity not later than ten days after such meeting. Not later than five days after any approval of an application, the secretary shall send a data use agreement to the identified entity. Not later than ten days after receiving an approved data use agreement from such identified entity, the secretary shall provide the data to such identified entity. Identified entities shall be exempt from payment of a data release fee. The secretary shall consider any timely challenge submitted by an identified entity. In making and publicly presenting a cost-driver assessment, the secretary shall use the revised methodology adopted pursuant to subdivision (1) of subsection (d) of section 19a-754g and examine the contribution of material changes in clinical risk and payment methodologies.

Sec. 369. Section 19a-754k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

The **[**Commissioner of Health Strategy**]** Secretary of the Office of Policy and Management may adopt regulations, in accordance with chapter 54, to implement the provisions of **[**section 19a-754a and**]** sections 19a-754f to 19a-754j, inclusive.

Sec. 370. (*Effective July 1, 2026*) (a) There is established a Medicaid Value-Based Payment Working Group for the purpose of collaboratively designing, evaluating readiness for, and recommending scalable, voluntary, value-based payment models for the Medicaid population that advance quality, cost efficiency, access, health system sustainability and health equity across the health care delivery system.

(b) The working group shall include members appointed by the Commissioner of Social Services, including representatives of hospitals, physicians, federally qualified health centers, behavioral health care providers, health carriers or managed care organizations participating in the Medicaid program, consumer advocates and any other stakeholders deemed appropriate by the commissioner.

(c) The working group shall evaluate and develop recommendations concerning:

(1) Voluntary value-based payment arrangements for Medicaid providers, including, but not limited to, shared savings models, population-based payment models, quality incentive arrangements and other alternative payment methodologies;

(2) Strategies to improve quality outcomes, promote access to care and address health disparities within the Medicaid population;

(3) The operational, technological, workforce and infrastructure investments necessary to support participation in value-based payment arrangements, including consideration of up-front funding, technical assistance, data-sharing capabilities and administrative simplification; and

(4) Opportunities to align Medicaid value-based payment initiatives with state and federal delivery system reform efforts.

(d) Any value-based payment model developed pursuant to this section shall be voluntary for participating providers.

(e) Not later than January 1, 2028, the working group shall submit recommendations, including opportunities for pilot implementation, to the joint standing committees of the General Assembly having cognizance of matters relating to public health and human services.

Sec. 371. Section 54 of public act 26-12 is repealed. (*Effective from passage*)

Sec. 372. Subsection (d) of section 31-53 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2027*):

(d) For the purpose of predetermining the prevailing rate of wage on an hourly basis and the amount of payment, contributions and member benefits paid or payable on behalf of each person to any employee welfare fund, as defined in subsection (i) of this section, in each town where such contract is to be performed, the Labor Commissioner shall adopt the rate of wages on an hourly basis in accordance with the provisions of this section and section 31-76c, and the amount, at the journeyman rate, of payment, contributions and member benefits, including health, pension, annuity and apprenticeship funds, as recognized by the United States Department of Labor and the Labor Commissioner paid or payable on behalf of each person to any employee welfare fund, as defined in subsection (i) of this section, as established in the collective bargaining agreements or understandings between employers or employer associations and bona fide labor organizations for the same work in the same trade or occupation in the town in which the applicable public works project, as defined in section 31-56a, is being constructed. For each trade or occupation for which more than one collective bargaining agreement is in effect for the town in which such project is being constructed, the collective bargaining agreement of historical jurisdiction shall prevail. For each trade or occupation for which there is no collective bargaining agreement in effect for the town in which the public works project is being constructed, the Labor Commissioner shall adopt and use such appropriate and applicable prevailing wage rate determinations as have been made by the Secretary of Labor of the United States under the provisions of the Davis-Bacon Act, as amended.

Sec. 373. Section 31-53 of the 2026 supplement to the general statutes is amended by adding subsection (j) as follows (*Effective October 1, 2026*):

(NEW) (j) (1) Each employer subject to the provisions of this section, section 31-53c, subsection (f) of section 31-53d or section 31-54 shall complete a daily record of each person performing the work of any mechanic, laborer or worker at a work site. Such daily record shall include (A) the name and location of the project, (B) the current date, (C) the printed name or signature and, where applicable, the trade license number of each person performing the work of a mechanic, laborer or worker, and (D) the arrival and departure time to the work site of each person performing the work of a mechanic, laborer or worker.

(2) An employer shall (A) keep, maintain and preserve such daily records, and (B) submit such daily records weekly to the contracting agency or the Department of Economic and Community Development, pursuant to section 31-53c, or to the developer of a covered project, as defined in section 31-53d, as applicable, by mail, electronic mail or other method accepted by such agency, the Department of Economic and Community Development or such developer.

(3) Notwithstanding the provisions of section 1-210, the daily records required pursuant to this subsection shall be considered a public record and every person shall have the right to inspect and copy such daily log or sign-in sheet in accordance with the provisions of section 1-212.

(4) Failure to file the daily records required pursuant to this subsection is a class C misdemeanor for which the employer may be fined up to five hundred dollars, imprisoned for up to three months, or both.

Sec. 374. (*Effective from passage*) The Labor Commissioner shall study the rights of workers under economic pressure in this contentious day and age. Not later than January 1, 2028, the commissioner shall submit

a report on the findings of the study and submit recommendations for legislation, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to labor and public employees.

Sec. 375. Section 10-512a of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) For the fiscal year ending June 30, 2025, based on an estimate prepared by the Secretary of the Office of Policy and Management between June 15, 2025, to June 30, 2025, inclusive, of the amount of current unappropriated surplus for **[**such**]** said fiscal year, the amount of such estimated surplus, if any, up to a maximum of three hundred million dollars shall be transferred on or before June 30, 2025, by the Treasurer from the General Fund to the Early Childhood Education Endowment established under section 10-512.

(b) For the fiscal year ending June 30, 2026, and each fiscal year thereafter, based on such estimated amount of current unappropriated surplus described in subsection (a) of this section, if any, the entire amount of such estimated surplus for each such fiscal year shall be transferred by the Treasurer from the General Fund to the Early Childhood Education Endowment on or before June thirtieth of such fiscal year, except that if the amount in the Budget Reserve Fund is estimated by the secretary to be less than eighteen per cent of the estimated net General Fund appropriations for the ensuing fiscal year, the amount of such transfer shall be reduced by the amount necessary to increase the amount in the Budget Reserve Fund to eighteen per cent of the estimated net General Fund appropriations for the ensuing fiscal year, or by the maximum amount of **[**the projected**]** such estimated surplus, whichever is less, and an amount equal to such reduction shall be transferred to the Budget Reserve Fund.

(c) If the Comptroller determines that a deficit **[**will exist**]** exists for the preceding fiscal year, before the appropriation required by subdivision (1) of subsection (f) of section 4-30a is made, the amount necessary to fund such deficit shall be **[**deducted from the amount transferred in such preceding fiscal year pursuant to this section**]** transferred from the Early Childhood Education Endowment and credited to the General Fund effective June thirtieth of such preceding fiscal year, provided the amount of such transfer shall not exceed the amount transferred in such preceding fiscal year pursuant to subsection (a) or (b) of this section, as applicable. If the amount necessary to fund such deficit exceeds the amount transferred in such preceding fiscal year, no additional funds from the body of the endowment shall be **[**used**]** transferred to fund such deficit.

Sec. 376. (*Effective from passage*) Notwithstanding the provisions of section 10-15 of the general statutes requiring public schools be maintained in each town for at least one hundred eighty days of actual school sessions during each year, the local board of education for the town of Waterbury may reduce the number of actual school sessions to one hundred seventy-six days for the school year commencing July 1, 2025.

Sec. 377. (*Effective July 1, 2026*) The sum of $225,000 of the amount appropriated in section 1 of public act 25-168, as amended by section 1 of this act, to the Department of Education, for Charter Schools, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year and expended as follows: (1) $75,000 of such amount shall be used to provide a planning grant for the OLAM Public Charter School in Stamford; (2) $75,000 of such amount shall be used to provide a planning grant for the PROUD Academy in Ansonia; and (3) $75,000 of such amount shall be used to provide a planning grant for the Taino CoLAB Academy in Waterbury.

Sec. 378. Subsection (i) of section 10-217a of the 2026 supplement to

the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(i) Notwithstanding the provisions of this section, for the fiscal years ending June 30, 2008, to June 30, **[**2026**]** 2027, inclusive, the amount of the grants payable to local or regional boards of education in accordance with this section shall be reduced proportionately if the total of such grants in such year exceeds the amount appropriated for purposes of this section.

Sec. 379. Section 224 of public act 25-174 is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

For the fiscal year ending June 30, 2027, **[**twelve million**]** six million two hundred fifty thousand dollars of the Magnet Schools appropriation provided to the Department of Education for said fiscal year shall be distributed proportionally based on the share of students enrolled in interdistrict magnet school programs operated by entities that are (1) not a local or regional board of education, (2) the board of governors for an independent institution of higher education, as defined in subsection (a) of section 10a-173 of the general statutes, or the equivalent of such a board, on behalf of the independent institution of higher education, or (3) any other third-party, not-for-profit corporation approved by the Commissioner of Education.

Sec. 380. Subsection (d) of section 10a-173 of the 2026 supplement to the general statutes, as amended by section 263 of public act 25-168, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(d) (1) The Roberta B. Willis Scholarship need-based grant shall be available to any eligible student at any public or independent institution of higher education. The amount of the annual funds to be allocated to each institution of higher education shall be determined by its actual

full-time equivalent enrollment of eligible students with a student aid index during the fall semester of the fiscal year two years prior to the grant year of an amount not greater than two hundred per cent of the maximum student aid index eligible for a federal Pell grant award for the academic year one year prior to the grant year. Not later than July first, annually, each institution of higher education shall report such enrollment data to the Office of Higher Education. **[**Not later than October first, annually**]** For the annual allocation of funds for the need-based grant, the Office of Higher Education: **[**shall (1)**]**

(A) Shall, not later than October first, annually, (i) publish such enrollment data on its Internet web site, **[**(2)**]** (ii) notify each institution of higher education of the proportion of the annual funds that such institution of higher education will receive for the following fiscal year, and **[**(3)**]** (iii) publish the proportions for each institution of higher education on its Internet web site. **[**Not**]**

(B) Shall, not later than November first, annually, **[**the Office of Higher Education shall**]** notify each institution of higher education of the estimated amount of funds allocated to such institution for awards to eligible students during the following fiscal year.

(C) May, on or after January first, annually, subject to the approval of the Secretary of the Office of Policy and Management, enter into a contractual agreement with each institution of higher education to commit the amount of funds allocated to such institution for awards to eligible students during the following fiscal year, provided the amount of such committed funds, in aggregate, does not exceed the need-based grant portion of the amount appropriated for the Roberta B. Willis Scholarship program pursuant to subsection (b) of this section for (i) the current fiscal year if no state budget has been adopted for the following fiscal year, or (ii) for the following fiscal year upon adoption of a state budget for such fiscal year.

(2) Participating institutions of higher education shall make awards (A) to eligible full-time students in an amount up to four thousand five hundred dollars, and (B) to eligible part-time students in an amount that is prorated according to the number of credits each student will earn for completing the course or courses in which such student is enrolled, such that a student enrolled in a course or courses earning (i) at least nine but less than twelve credits is eligible for up to seventy-five per cent of the maximum award, and (ii) at least six but less than nine credits is eligible for up to fifty per cent of the maximum award. Each participating institution of higher education shall expend all of the moneys received under the Roberta B. Willis Scholarship program as direct financial assistance only for eligible educational costs.

Sec. 381. (NEW) (*Effective July 1, 2026*) For the fiscal year ending June 30, 2027, and each fiscal year thereafter, the Department of Education shall, within available appropriations, administer a teacher apprenticeship program.

Sec. 382. (NEW) (*Effective July 1, 2026*) The Office of Higher Education shall establish a program to support the establishment of new promise programs throughout the state, with a goal of establishing eight new promise programs not later than January 1, 2031, prioritizing the establishment of promise programs that serve students in alliance districts, as defined in section 10-262u of the general statutes. The office shall coordinate with municipalities and regional coalitions interested in establishing new promise programs. The office shall support each new promise program through the provision of technical assistance to start such promise program, including, but not limited to, (1) initial funding strategies, (2) stakeholder engagement, including, but not limited to, with each local or regional board of education, legislative body and local nonprofit organization and business of the municipality or region in which such new promise program is located, (3) program design based on the local environment, (4) development of evaluation

metrics, and (5) sustainability planning. The office shall hire a consultant with expertise in the development and operation of promise programs to implement the provisions of this section. As used in this section, "promise program" means a scholarship program that provides a scholarship in conjunction with services and resources, including, but not limited to, mentoring, peer support networks and internships, to scholarship recipients to ensure the postsecondary academic success of such recipients.

Sec. 383. (NEW) (*Effective from passage*) (a) As used in this section, "parent organization" means a nonprofit organization whose (1) mission is to serve families of children with disabilities, and (2) governing board includes (A) a majority of members who are parents of children with disabilities, (B) professionals who work in fields related to special education and early intervention, and (C) individuals with disabilities or otherwise representative of the populations such organization serves.

(b) The Commissioner of Education may enter into cooperative agreements with and award grants, in an amount specified by the commissioner, to one or more parent organizations in the state to establish parent training and information centers to carry out the duties specified in subsection (c) of this section. Upon establishing such program to enter into cooperative agreements with parent organizations, the commissioner shall post in a conspicuous location on its Internet web site (1) a description of such program, including, but not limited to, the amount of grants available under such program, (2) any eligibility requirements for parent organizations to be eligible for such program, and (3) the application form for such program.

(c) Each parent training and information center established pursuant to subsection (b) of this section shall:

(1) Receive, review and attempt to resolve any special education complaints from students and students' families, including, but not

limited to, attempts to resolve such complaints in collaboration with schools and educators;

(2) Provide information to the public, agencies, legislators and others regarding the issues and concerns of students receiving special education and make recommendations for resolving such issues and concerns;

(3) Provide training and information to assist parents of children with disabilities to enable such children to meet developmental, functional and academic goals, including, but not limited to, parents who are low income or have limited English proficiency; and

(4) Assist parents in communicating effectively with personnel responsible for providing special education and related services to their children.

(d) The Department of Education shall disseminate information about any parent training and information center established pursuant to this section by (1) posting such information in a conspicuous location on its Internet web site, (2) including such information on special education guides and information published by the department, and (3) in any other form and manner determined by the department.

(e) Each parent training and information center established pursuant to this section shall submit an annual report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to education. Such report shall include, but need not be limited to, (1) the number and demographics of families served by such center, (2) the effectiveness of strategies used to reach and serve such families, including, but not limited to, families who are low income or have limited English proficiency, and (3) the number of families such center assisted in resolving special education complaints.

Sec. 384. Section 10-15o of the general statutes is repealed. (*Effective from passage*)

Sec. 385. Section 36a-25 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) There is established an Office of the Student Loan Ombudsman, which shall be within the **[**Department of Banking**]** Office of Higher Education for administrative purposes only, to provide timely assistance to any student loan borrower, as defined in section 36a-846, of any student education loan, as defined in section 36a-846. The **[**Banking Commissioner**]** Governor shall appoint a Student Loan Ombudsman who shall be selected from among individuals with expertise and experience in a field concerning student loans to head the office.

(b) The Office of the Student Loan Ombudsman shall:

(1) Receive, review and attempt to resolve any complaints from student loan borrowers, including, but not limited to, attempts to resolve such complaints in collaboration with institutions of higher education, student loan servicers, as defined in section 36a-846, and any other participants in student loan lending, including, but not limited to, The University of Connecticut, the Board of Regents for Higher Education, the Office of Higher Education or the Connecticut Higher Education Supplemental Loan Authority;

(2) Compile and analyze data on student loan borrower complaints as described in subdivision (1) of this subsection;

(3) Assist student loan borrowers to understand their rights and responsibilities under the terms of student education loans;

(4) Provide information to the public, agencies, legislators and others regarding the problems and concerns of student loan borrowers and

make recommendations for resolving those problems and concerns;

(5) Analyze and monitor the development and implementation of federal, state and local laws, regulations and policies relating to student loan borrowers and recommend any changes the Student Loan Ombudsman deems necessary;

(6) Review the complete student education loan history for any student loan borrower who has provided written consent for such review;

(7) Disseminate information concerning the availability of the Office of the Student Loan Ombudsman to assist student loan borrowers and potential student loan borrowers, as well as public institutions of higher education, student loan servicers and any other participant in student education loan lending, with any student loan servicing concerns; and

(8) Take any other actions necessary to fulfill the duties of the Office of the Student Loan Ombudsman and the Student Loan Ombudsman as set forth in this subsection.

(c) (1) **[**On or before October 1, 2016, the**]** The Student Loan Ombudsman **[**, in consultation with the commissioner,**]** shall, within available appropriations, establish and maintain a student loan borrower education course that shall include educational presentations and materials regarding student education loans. Such program shall include, but not be limited to, key loan terms, documentation requirements, monthly payment obligations, income-based repayment options, loan forgiveness and disclosure requirements.

(2) **[**Beginning on October 1, 2024, the**]** The Office of the Student Loan Ombudsman shall maintain the student loan borrower education course established pursuant to subdivision (1) of this subsection.

[(d) (1) On or before January 1, 2016, and annually thereafter until

January 1, 2023, the Banking Commissioner shall submit a report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to banking and higher education. The commissioner shall report on: (A) The implementation of this section; (B) the overall effectiveness of the Student Loan Ombudsman position; and (C) additional steps that need to be taken for the Department of Banking to gain regulatory control over the licensing and enforcement of student loan servicers.**]**

[(2)**]** (d) Beginning on January 1, 2024, and annually thereafter, the Student Loan Ombudsman shall submit **[**the**]** a report **[**required under subdivision (1) of this subsection,**]** in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to banking and higher education. The ombudsman shall report on: **[**(A)**]** (1) The implementation of this section; **[**(B)**]** (2) the overall effectiveness of the Office of the Student Loan Ombudsman; and **[**(C)**]** (3) additional steps that need to be taken for the Department of Banking to gain regulatory control over the licensing and enforcement of student loan servicers.

(e) (1) There is established an account to be known as the "student loan ombudsman account" which shall be a separate, nonlapsing account. **[**within the Banking Fund.**]** The account shall contain the moneys described in subdivision (2) of this subsection and any other moneys required by law to be deposited in the account. Moneys in the account shall be expended by the **[**Banking Commissioner**]** Student Loan Ombudsman for the purpose of administering the provisions of this section.

(2) The account established under subdivision (1) of this subsection shall contain any licensing or investigation fees collected pursuant to subsection (b) of section 36a-847.

Sec. 386. (*Effective July 1, 2026*) Not later than January 1, 2027, the Student Loan Ombudsman, appointed pursuant to section 36a-25 of the general statutes, shall report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to banking, higher education and appropriations and the budgets of state agencies concerning the activities of the Office of the Student Loan Ombudsman during the calendar years 2025 and 2026.

Sec. 387. (NEW) (*Effective from passage*) (a) The Commissioner of Early Childhood shall annually develop a proposed spending plan for the fiscal year for funds released from the Early Childhood Education Endowment, pursuant to section 10-512b of the general statutes. Such proposed spending plan shall be in accordance with the provisions of section 10-512c of the general statutes and include a list of the amounts and expenditures of such funds and the policy goals of the commissioner for the expenditure of such funds, which shall include, but need not be limited to, a statement of how each amount and expenditure of such funds will meet such goals.

(b) The commissioner shall present such proposed spending plan to the Early Childhood Education Endowment Advisory Board, established pursuant to section 10-512g of the general statutes, at the first meeting of the board on or after July first of the fiscal year for such proposed spending plan.

Sec. 388. (NEW) (*Effective July 1, 2026*) (a) A local or regional board of education may, by a majority vote of such board, submit an application to the Commissioner of Education to participate in a fiscal intervention and oversight plan in accordance with this section. Such application shall be in a form and manner prescribed by the commissioner.

(b) Upon receipt of an application by a local or regional board of education submitted pursuant to subsection (a) of this section, the

Commissioner of Education, in consultation with the Secretary of the Office of Policy and Management, shall conduct an initial review of such board of education's financial condition, which may include, but need not be limited to, (1) meeting with local officials, (2) assessing such board's budget deficit and the underlying causes of such deficit, and (3) assessing the financial condition of the municipality or municipalities of such board.

(c) After conducting an initial review pursuant to subsection (b) of this section, the Commissioner of Education shall develop a fiscal intervention and oversight plan for such board of education, which shall (1) account for any legal mandates, orders or settlements affecting such board's costs, and (2) include, but need not be limited to, requiring such board to appear before the Municipal Accountability Review Board established pursuant to section 7-576d of the general statutes to discuss such board's financial condition and compliance with such plan.

(d) The Commissioner of Education shall submit any fiscal intervention and oversight plan developed pursuant to this section to the Municipal Accountability Review Board. The Municipal Accountability Review Board shall review such plan and may recommend revisions to such plan to support the long-term financial sustainability of such board of education and the municipality or municipalities served by such board of education. Such review shall include, but need not be limited to, confirming that such plan (1) ensures accuracy in the accounting of the expenses and liabilities of such board, (2) improves financial reporting systems of such board as necessary, (3) establishes and maintains transparency in such board of education's fiscal operations, (4) requires such board of education to notify the Department of Education of any contracts to which such board is a party and exceed one hundred thousand dollars, (5) requires the application of LEAN practices and principles, and (6) includes a comprehensive school facilities and administrative optimization initiative. The

Municipal Accountability Review Board may require such board of education to appear before it to discuss such board of education's financial condition and compliance with such plan.

(e) The Municipal Accountability Review Board shall submit any fiscal intervention and oversight plan developed pursuant to this section and reviewed by such board, with any revisions to such plan recommended by such board, to the Secretary of the Office of Policy and Management. The secretary shall approve such plan or require the Commissioner of Education to revise such plan. After approval or revision of such plan pursuant to this subsection, the commissioner shall submit such plan to the State Board of Education for approval. Such plan shall be implemented upon the approval of the State Board of Education.

(f) Nothing in this section shall be construed to limit the authority of the State Board of Education over local and regional boards of education under state or federal law.

Sec. 389. Subsection (a) of section 7-576d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) There is established a Municipal Accountability Review Board, which shall be in the Office of Policy and Management for administrative purposes only and which shall be comprised of the Secretary of the Office of Policy and Management, or the secretary's designee, who shall be the chairperson of such board, the State Treasurer, or the State Treasurer's designee, who shall be the cochairperson of such board, the Commissioner of Education, or the commissioner's designee, five members appointed by the Governor, one of whom shall be a municipal finance director, one of whom shall be a municipal bond or bankruptcy attorney, one of whom shall be a town manager, one of whom shall have significant experience in representing

organized labor and who shall be selected from a list of three recommendations by the American Federation of State, County and Municipal Employees and one of whom shall have significant experience as a teacher or representing a teacher's organization and who shall be selected from a list of three joint recommendations by the Connecticut Education Association and the American Federation of Teachers-Connecticut, and one member appointed by the president pro tempore of the Senate, one member appointed by the speaker of the House of Representatives, one member appointed by the minority leader of the Senate and one member appointed by the minority leader of the House of Representatives. Each member appointed by the president pro tempore of the Senate, the speaker of the House of Representatives, the minority leader of the Senate and the minority leader of the House of Representatives shall have experience in business, finance or municipal management. All appointed members shall serve for terms of six years and until a successor is appointed except that two of the five initial appointments by the Governor shall each be for a term of three years with all subsequent appointments being for a term of six years. The filling of any vacancy shall be for the remainder of the applicable member's terms. If there are two or more designated tier II, III or IV municipalities, the Governor may appoint alternates for one or more of the appointments made by the Governor pursuant to this section. Such alternates shall have the same qualifications as the member for whom they serve as an alternate and the term of each such alternate shall coincide with the term of such member. The members of the board shall serve without compensation, but shall be reimbursed for expenses incurred in performance of their duties. Expenses of the board related to its work with designated tier III or IV municipalities, including any staff, consultants and other expenses adopted by the board, may, following consultation with such municipalities, be charged to such municipalities by the board and may be paid from the proceeds of any deficit obligation or debt restructuring bonds.

Sec. 390. (*Effective from passage*) (a) The sum of $183,000,000 is appropriated to the Department of Education, for Supplemental Education, for the fiscal year ending June 30, 2026, shall be made available in said fiscal year and expended as follows:

(1) $162,200,000 of such amount shall be used to supplement the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Education Equalization Grants, and shall be distributed as supplemental education aid grants by the Department of Education in accordance with the provisions of section 391 of this act and as follows:

Town	Grant for Fiscal Year 2026
Andover	40,096
Ansonia	939,494
Ashford	69,181
Avon	173,326
Barkhamsted	29,885
Beacon Falls	253,476
Berlin	581,191
Bethany	35,291
Bethel	200,953
Bethlehem	105,234
Bloomfield	160,957
Bolton	53,664
Bozrah	23,802
Branford	75,457
Bridgeport	15,015,199
Bridgewater	4,415
Bristol	4,528,816
Brookfield	27,584
Brooklyn	139,394
Burlington	280,369
Canaan	2,515

Canterbury	80,097
Canton	81,370
Chaplin	33,043
Cheshire	849,486
Chester	125,301
Clinton	103,842
Colchester	240,804
Colebrook	8,078
Columbia	46,324
Cornwall	644
Coventry	159,058
Cromwell	520,405
Danbury	2,952,103
Darien	60,986
Deep River	33,522
Derby	219,809
Durham	65,865
East Granby	255,098
East Haddam	71,119
East Hampton	139,219
East Hartford	6,938,531
East Haven	541,052
East Lyme	121,530
East Windsor	113,382
Eastford	18,944
Easton	8,972
Ellington	206,833
Enfield	1,019,672
Essex	4,311
Fairfield	122,691
Farmington	74,160
Franklin	14,725
Glastonbury	134,346
Goshen	8,065
Granby	655,539
Greenwich	110,062
Griswold	735,679
Groton	500,801
Guilford	35,322

Haddam	153,075
Hamden	2,227,363
Hampton	21,168
Hartford	20,530,197
Hartland	21,434
Harwinton	253,904
Hebron	119,954
Kent	1,532
Killingly	311,488
Killingworth	44,145
Lebanon	91,572
Ledyard	240,652
Lisbon	57,990
Litchfield	123,294
Lyme	6,428
Madison	7,909
Manchester	5,247,464
Mansfield	262,244
Marlborough	59,042
Meriden	7,755,320
Middlebury	54,899
Middlefield	42,007
Middletown	2,656,038
Milford	193,465
Monroe	105,459
Montville	256,057
Morris	6,225
Naugatuck	1,438,012
New Britain	13,292,120
New Canaan	59,493
New Fairfield	69,622
New Hartford	172,353
New Haven	7,652,745
New London	1,926,108
New Milford	232,906
Newington	928,230
Newtown	89,914
Norfolk	1,108
North Branford	146,627

North Canaan	138,210
North Haven	87,989
North Stonington	53,206
Norwalk	1,959,389
Norwich	5,913,205
Old Lyme	29,897
Old Saybrook	12,132
Orange	20,310
Oxford	73,540
Plainfield	307,289
Plainville	745,435
Plymouth	196,042
Pomfret	53,420
Portland	527,951
Preston	59,050
Prospect	116,728
Putnam	166,806
Redding	19,287
Ridgefield	19,656
Rocky Hill	1,259,142
Roxbury	4,951
Salem	50,502
Salisbury	1,447
Scotland	25,493
Seymour	238,227
Sharon	600
Shelton	317,310
Sherman	38,467
Simsbury	165,475
Somers	113,853
South Windsor	228,162
Southbury	732,698
Southington	416,967
Sprague	66,065
Stafford	191,030
Stamford	1,441,637
Sterling	63,492
Stonington	21,460
Stratford	1,119,920

Suffield	699,245
Thomaston	109,625
Thompson	150,694
Tolland	182,111
Torrington	2,752,854
Trumbull	68,341
Union	38,171
Vernon	3,276,608
Voluntown	42,345
Wallingford	425,723
Warren	3,475
Washington	7,401
Waterbury	14,775,836
Waterford	15,582
Watertown	1,454,776
West Hartford	2,824,592
West Haven	4,946,153
Westbrook	3,846
Weston	5,276
Westport	81,474
Wethersfield	1,009,684
Willington	69,132
Wilton	25,737
Winchester	160,499
Windham	3,759,271
Windsor	242,608
Windsor Locks	214,929
Wolcott	247,743
Woodbridge	26,948
Woodbury	250,602
Woodstock	99,811

(2) $5,550,000 of such amount shall be used to supplement the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Magnet Schools, and shall be expended by the Department of Education for the purpose of increasing the per student grant amount to operators of interdistrict magnet school programs that are not local or regional boards of

education in accordance with the provisions of section 10-264*l* of the general statutes;

(3) $2,750,000 of such amount shall be used to supplement the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Magnet Schools, and shall be expended by the Department of Education for the purpose of increasing the per student grant amount to local and regional boards of education that operate interdistrict magnet school programs in accordance with the provisions of section 10-264*l* of the general statutes;

(4) $8,700,000 of such amount shall be used to supplement the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Charter Schools, and shall be expended by the Department of Education for the purpose of providing grants to charter schools in accordance with the provisions of section 10-66ee of the general statutes;

(5) $800,000 of such amount shall be used to supplement the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Education, for Vocational Agriculture, and shall be expended by the Department of Education for the purpose of providing grants to local or regional boards of education that operate an agricultural science and technology education center approved by the State Board of Education in accordance with the provisions of section 10-65 of the general statutes; and

(6) $3,000,000 of such amount shall be used by the Department of Education for administrative costs related to the distribution of supplemental education grants to local and regional boards of education and implementation of the oversight activities described in section 388 of this act.

(b) The funds appropriated in subsection (a) of this section to the

Department of Education, for Supplemental Education, for the fiscal year ending June 30, 2026, shall not lapse and shall be available to the Department of Education for the same purpose for the fiscal year ending June 30, 2027.

Sec. 391. (*Effective from passage*) (a) (1) For the fiscal year ending June 30, 2026, the city of Hartford shall be paid a supplemental education aid grant in an amount equal to five million dollars of its grant amount listed in section 390 of this act. The amount paid to the city of Hartford shall be paid by the Comptroller, upon certification of the Commissioner of Education, to the treasurer of Hartford not later than June thirtieth of said fiscal year. All aid paid to the city of Hartford pursuant to the provisions of this subdivision shall be expended for educational purposes only and shall be expended upon the authorization of the board of education for Hartford. Such grant shall not be used to supplant local funding for educational purposes.

(2) For the fiscal year ending June 30, 2027, each town shall be paid a supplemental education aid grant equal to the amount prescribed in section 390 of this act. The amount due each town shall be paid by the Comptroller, upon certification of the Commissioner of Education, to the treasurer of each town not later than June thirtieth of said fiscal year. All aid distributed to a town pursuant to the provisions of this subdivision shall be expended for educational purposes only and shall be expended upon the authorization of the local or regional board of education. Such grant shall not be used to supplant local funding for educational purposes.

(b) Such grant shall not be considered part of the budgeted appropriation for education for the town for purposes of calculating the minimum budget requirement for the town pursuant to section 10-262j of the general statutes.

Sec. 392. (*Effective July 1, 2027*) For the fiscal year ending June 30, 2028,

payments from the Education Equalization Grants account by the Department of Education shall not be less than the appropriation for said account for the fiscal year ending June 30, 2027, plus $152,200,000.

Sec. 393. (*Effective from passage*) There is established an account to be known as the "temporary education aid for school districts account", which shall be a separate, nonlapsing account. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Department of Education for the purposes of providing district relief and compensatory use learning aid grants in accordance with the provisions of section 394 of this act.

Sec. 394. (*Effective July 1, 2026*) (a) For the fiscal year ending June 30, 2027, each town shall be paid a district relief and compensatory use learning aid grant equal to the amount prescribed in subsection (b) of this section. The amount due each town shall be paid by the Comptroller, upon certification of the Commissioner of Education, to the treasurer of each town not later than October thirty-first of said fiscal year.

(b) District relief and compensatory use learning aid grant amounts.

Town	Grant for Fiscal Year 2027
Andover	40,096
Ashford	69,181
Barkhamsted	29,885
Bethany	35,291
Bethel	200,953
Bloomfield	160,957
Bolton	53,664
Bozrah	23,802
Branford	75,457
Bridgewater	4,415

Brookfield	27,584
Brooklyn	139,394
Canaan	2,515
Canterbury	80,097
Canton	81,370
Chaplin	33,043
Clinton	103,842
Colchester	240,804
Colebrook	8,078
Columbia	46,324
Cornwall	644
Coventry	159,058
Deep River	33,522
Derby	219,809
Durham	65,865
East Haddam	71,119
East Hampton	139,219
East Haven	259,186
East Lyme	121,530
East Windsor	113,382
Eastford	18,944
Easton	3,113
Ellington	206,833
Enfield	173,274
Essex	4,311
Farmington	74,160
Franklin	14,725
Glastonbury	134,346
Goshen	8,065
Groton	500,801
Guilford	35,322
Haddam	4,607
Hampton	21,168
Hartland	21,434
Hebron	119,954
Kent	138
Killingly	311,488
Killingworth	44,145
Lebanon	91,572

Ledyard	240,652
Lisbon	57,990
Lyme	6,428
Madison	7,909
Mansfield	262,244
Marlborough	59,042
Middlebury	54,899
Middlefield	42,007
Milford	193,465
Monroe	105,459
Montville	256,057
Morris	6,225
New Fairfield	69,622
New Milford	232,906
Newtown	89,914
Norfolk	1,108
North Branford	146,627
North Haven	87,989
North Stonington	53,206
Old Lyme	29,897
Orange	20,310
Oxford	73,540
Plainfield	307,289
Plymouth	196,042
Pomfret	53,420
Preston	59,050
Prospect	116,728
Putnam	166,806
Ridgefield	3,092
Roxbury	4,951
Salem	50,502
Salisbury	1,447
Scotland	25,493
Seymour	238,227
Sharon	600
Shelton	46,190
Simsbury	165,475
Somers	113,853
South Windsor	228,162

Southington	416,967
Sprague	42,205
Stafford	191,030
Sterling	63,492
Stonington	21,460
Stratford	92,255
Thomaston	109,625
Thompson	150,694
Tolland	182,111
Trumbull	68,341
Voluntown	42,345
Wallingford	425,723
Warren	3,475
Washington	7,401
Weston	5,276
Willington	69,132
Winchester	160,499
Windsor	242,608
Wolcott	247,743
Woodstock	99,811

(c) All aid distributed to a town pursuant to the provisions of this section shall be expended for educational purposes only and shall be expended upon the authorization of the local or regional board of education. Such grant shall not be used to supplant local funding for educational purposes.

(d) Such grant shall not be considered part of the budgeted appropriation for education for the town for purposes of calculating the minimum budget requirement for the town pursuant to section 10-262j of the general statutes.

Sec. 395. (*Effective from passage*) Not later than June 15, 2026, the sum of ten million nine hundred forty-five thousand five hundred two dollars shall be transferred from the Probate Court Administration Fund, established pursuant to section 45a-82 of the general statutes, to the temporary education aid for school districts account established

pursuant to section 393 of this act.

Sec. 396. (*Effective from passage*) The Commissioner of Administrative Services, having reviewed applications for state grants for public school building projects in accordance with section 10-283 of the general statutes on the basis of priorities for such projects and standards for school construction established by the State Board of Education, and having prepared a listing of all such eligible projects ranked in order of priority, as determined by said commissioner together with the amount of the estimated grant with respect to each eligible project, and having submitted such listing of eligible projects, prior to December 15, 2025, to a committee of the General Assembly established under section 10-283a of the general statutes for the purpose of reviewing such listing, is hereby authorized to enter into grant commitments on behalf of the state in accordance with said section 10-283a with respect to the priority listing of such projects and in such estimated amounts as approved by said committee prior to February 1, 2026, as follows:

School District School Project Number	Estimated Project Costs	Estimated Grant
MILFORD Jonathan Law High School 084-0217 EA	$12,650,000	$4,968,920
NORWICH Teachers' Memorial Global Studies Magnet Middle School 104-0122 N	$69,367,713	$55,494,170
SEYMOUR Bungay Elementary School 124-0058 N	$60,000,000	$38,748,000
STAMFORD		

Julia Stark Elementary School 135-0294 A/EC	$14,347,081	$8,608,249
WATERBURY Roberto Clemente International Dual Language School 151-0318 EA	$38,755,850	$30,589,992
WESTPORT Long Lots Elementary School 158-0101 N	$110,472,124	$12,229,264

Sec. 397. Section 10-285a of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) (1) The percentage of school building project grant money a local board of education may be eligible to receive, under the provisions of section 10-286, shall be assigned by the Commissioner of Administrative Services in accordance with the percentage calculated by the Commissioner of Education as follows: (A) For grants approved pursuant to section 10-283 for which application is made on and after July 1, 1991, and before July 1, 2011, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to such town's adjusted equalized net grand list per capita, as defined in section 10-261; and (ii) based upon such ranking, a percentage of not less than twenty nor more than eighty shall be determined for each town on a continuous scale; (B) for grants approved pursuant to section 10-283 for which application is made on and after July 1, 2011, and before July 1, 2017, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to such town's adjusted equalized net grand list per capita, as defined in section 10-261, and (ii) based upon such ranking, (I) a percentage of not less than ten nor more than seventy shall be determined for new construction or replacement of a school

building for each town on a continuous scale, and (II) a percentage of not less than twenty nor more than eighty shall be determined for renovations, extensions, code violations, roof replacements and major alterations of an existing school building and the new construction or replacement of a school building when a town or regional school district can demonstrate that a new construction or replacement is less expensive than a renovation, extension or major alteration of an existing school building for each town on a continuous scale; (C) for grants approved pursuant to section 10-283 for which application is made on and after July 1, 2017, and before June 1, 2022, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to the adjusted equalized net grand list per capita, as defined in section 10-261, of the town two, three and four years prior to the fiscal year in which application is made, (ii) based upon such ranking, (I) a percentage of not less than ten nor more than seventy shall be determined for new construction or replacement of a school building for each town on a continuous scale, and (II) a percentage of not less than twenty nor more than eighty shall be determined for renovations, extensions, code violations, roof replacements and major alterations of an existing school building and the new construction or replacement of a school building when a town or regional school district can demonstrate that a new construction or replacement is less expensive than a renovation, extension or major alteration of an existing school building for each town on a continuous scale; (D) except as otherwise provided in subdivision (2) of this subsection, for grants approved pursuant to section 10-283 for which application is made on and after June 1, 2022, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to the adjusted equalized net grand list per capita, as defined in section 10-261, of the town two, three and four years prior to the fiscal year in which application is made, and (ii) based upon such ranking, (I) a percentage of not less than ten nor more than seventy shall be determined for new construction or replacement of a school building for each town on a continuous scale, and (II) a

percentage of not less than twenty nor more than eighty shall be determined for renovations, extensions, code violations, roof replacements and major alterations of an existing school building and the new construction or replacement of a school building when a town or regional school district can demonstrate that a new construction or replacement is less expensive than a renovation, extension or major alteration of an existing school building for each town on a continuous scale; and (E) except as otherwise provided in subdivision (2) of this subsection, for grants approved pursuant to section 10-283 for which application is made on and after July 1, 2024, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to the adjusted equalized net grand list per capita, as defined in section 10-261, of the town two, three and four years prior to the fiscal year in which application is made, and (ii) based upon such ranking, (I) a percentage of not less than ten nor more than eighty shall be determined for new construction or replacement of a school building for each town on a continuous scale, and (II) a percentage of not less than twenty nor more than eighty shall be determined for renovations, extensions, code violations, roof replacements and major alterations of an existing school building and the new construction or replacement of a school building when a town or regional school district can demonstrate that a new construction or replacement is less expensive than a renovation, extension or major alteration of an existing school building for each town on a continuous scale.

(2) For grants approved pursuant to section 10-283 for which application is made prior to July 1, 2047, the percentage of school building project grant money a local board of education for (A) any town with a total population of eighty thousand or greater may be eligible to receive shall be the greater of the percentage calculated pursuant to subdivision (1) of this subsection or sixty per cent, and (B) the town of Cheshire shall be the greater of the percentage calculated pursuant to subdivision (1) of this subsection or fifty per cent.

(b) (1) Except as otherwise provided in subdivision (2) of this subsection, the percentage of school building project grant money a regional board of education may be eligible to receive under the provisions of section 10-286 shall be determined by its ranking. Such ranking shall be determined by (A) multiplying the total population, as defined in section 10-261, of each town in the district by such town's ranking, as determined in subsection (a) of this section, (B) adding together the figures determined under subparagraph (A) of this subdivision, and (C) dividing the total computed under subparagraph (B) of this subdivision by the total population of all towns in the district. The ranking of each regional board of education shall be rounded to the next higher whole number and each such board shall receive the same reimbursement percentage as would a town with the same rank plus ten per cent, except that no such percentage shall exceed eighty-five per cent.

(2) Any board of education of a regional school district established or expanded on or after July 1, 2016, that submits an application for a school building project (A) not later than ten years after the establishment or expansion of such regional school district, and (B) that is related to such establishment or expansion, may be eligible to receive a percentage of school building project grant money, under the provisions of section 10-286, as follows: The reimbursement percentage of the town in such regional school district with the greatest reimbursement percentage, as determined in subsection (a) of this section, plus ten per cent.

(c) The percentage of school building project grant money a regional educational service center may be eligible to receive shall be determined by its ranking. Such ranking shall be determined by (1) multiplying the population of each member town in the regional educational service center by such town's ranking, as determined in subsection (a) of this section; (2) adding together the figures for each town determined under

subdivision (1) of this subsection, and (3) dividing the total computed under subdivision (2) of this subsection by the total population of all member towns in the regional educational service center. The ranking of each regional educational service center shall be rounded to the next higher whole number and each such center shall receive the same reimbursement percentage as would a town with the same rank.

(d) The percentage of school building project grant money a cooperative arrangement pursuant to section 10-158a, may be eligible to receive shall be determined by its ranking. Such ranking shall be determined by (1) multiplying the total population, as defined in section 10-261, of each town in the cooperative arrangement by such town's ranking, as determined in subsection (a) of this section, (2) adding the products determined under subdivision (1) of this subsection, and (3) dividing the total computed under subdivision (2) of this subsection by the total population of all towns in the cooperative arrangement. The ranking of each cooperative arrangement shall be rounded to the next higher whole number and each such cooperative arrangement shall receive the same reimbursement percentage as would a town with the same rank plus ten percentage points.

(e) (1) If an elementary school building project for a new building or for the expansion of an existing building includes space for an early childhood care and education program that provides services for children from birth to five years, the percentage determined pursuant to this section for the entire school building project shall be increased by fifteen percentage points, but shall not exceed **[**one hundred**]** ninety-five per cent. Recipient districts shall maintain such early childhood care and education program for at least ten years.

(2) The percentage determined pursuant to this section for any school building project for a building or facility that will be used exclusively by a local or regional board of education for an early childhood care and education program that provides services for children from birth to five

years shall be increased by fifteen percentage points, but shall not exceed **[**one hundred**]** ninety-five per cent. Recipient districts shall maintain such early childhood care and education program for at least twenty years.

(f) The percentage determined pursuant to this section for a school building project grant for the expansion, alteration or renovation of an existing public school building to convert such building for use as a lighthouse school, as defined in section 10-266cc, shall be increased by ten percentage points.

(g) The percentage determined pursuant to this section for a school building project grant shall be increased by the percentage of the total projected enrollment of the school attributable to the number of spaces made available for out-of-district students participating in the program established pursuant to section 10-266aa, provided the maximum increase shall not exceed ten percentage points.

(h) Subject to the provisions of section 10-285d, if an elementary school building project for a school in a priority school district or for a priority school is necessary in order to offer a full-day kindergarten program or a full-day preschool program or to reduce class size pursuant to section 10-265f, the percentage determined pursuant to this section shall be increased by fifteen percentage points, but shall not exceed **[**one hundred**]** ninety-five per cent, for the portion of the building used primarily for such full-day kindergarten program, full-day preschool program or such reduced size classes. Recipient districts that receive an increase pursuant to this subsection in support of a full-day preschool program shall maintain full-day preschool enrollment for at least ten years.

(i) For all projects authorized on or after July 1, 2007, all attorneys' fees and court costs related to litigation shall be eligible for state school construction grant assistance only if the grant applicant is the prevailing

party in any such litigation.

(j) The percentage determined pursuant to this section for a school building project grant for a diversity school, approved pursuant to section 10-286h, shall be increased by ten percentage points.

(k) If a school building project for a new building or for the renovation or expansion of an existing building includes plans for the expansion or creation of in-district special education programming and services, the percentage determined pursuant to this section shall be increased by fifteen percentage points, but shall not exceed **[**one hundred**]** ninety-five per cent, for the portion of the project used primarily for such purpose, provided the portion of such school building project that will be used primarily for such in-district special education programming and services shall be a part of a school building that is being used to provide a program of general education for nonspecial education students and is a part of the school building being constructed or renovated or expanded; and, provided further, any additional funding received by the local or regional board of education resulting from and related to the inclusion of such plans for the expansion or creation of in-district special education programming and services shall be expended for such construction or renovation or expansion.

(l) On and after July 1, 2026, for applications submitted pursuant to subsection (a) of section 10-283, the reimbursement percentage of school building project that a local or regional board of education or an endowed academy approved pursuant to section 10-34 shall be increased by five percentage points, provided such increase shall not result in a reimbursement percentage exceeding **[**one hundred**]** ninety-five per cent, if the municipality (1) is in compliance with the provisions of section 8-13bb regarding its housing growth plan or compliance with a regional housing growth plan, as applicable, and has demonstrated steps such municipality has taken to implement its housing growth

policies, (2) is a qualifying transit-oriented community pursuant to section 8-13hh, or (3) has adopted a development district established pursuant to a memorandum of agreement with the Connecticut Municipal Development Authority.

(m) On and after July 1, 2026, if the student enrollment of a school district has increased by twenty per cent or more over the ten-year period immediately preceding the date an application is submitted pursuant to section 10-283, the reimbursement percentage of the town of such school district shall be increased by twenty percentage points, provided such increase shall not result in a reimbursement percentage exceeding ninety-five per cent.

(n) Notwithstanding any provision of the general statutes, the percentage determined pursuant to this section for a school building project grant shall not exceed ninety-five per cent.

Sec. 398. Section 10-292q of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There is established a **[**School Building Projects Advisory Council**]** School Safety and Security Infrastructure Advisory Council. The council shall consist of: (1) The Secretary of the Office of Policy and Management, or the secretary's designee, (2) the Commissioner of Administrative Services, or the commissioner's designee, (3) the Commissioner of Education, or the commissioner's designee, (4) the Commissioner of Emergency Services and Public Protection, or the commissioner's designee, (5) the **[**chairperson of the Technical Education and Career System board, or the chairperson's**]** executive director of the Technical Education and Career System, or the executive director's designee, and (6) **[**six**]** eight members appointed by the Governor, one of whom shall be a person with experience in school **[**building**]** safety and security planning project matters, one of whom shall be a person with experience in **[**architecture**]** administration of the

Connecticut Building Code, one of whom shall be a **[**person**]** Connecticut licensed architect with experience in **[**engineering**]** school planning and design, one of whom shall be a person from higher education with experience in **[**school**]** campus safety and security planning project matters, one of whom shall be a **[**person with experience with the administration of the State Building Code,**]** representative of a rural school district with experience in school safety and security planning project matters, one of whom shall be a representative of a suburban school district with experience in school safety and security planning project matters, one of whom shall be a representative of an urban school district with experience in school safety and security planning project matters and one of whom shall be a person with experience and expertise in construction for students with disabilities and the accessibility provisions of the Americans with Disabilities Act, 42 USC 12101 et seq. The terms for those members appointed under subdivision (6) of this subsection before the effective date of this section shall expire on June 30, 2026, and the members appointed under said subdivision shall be appointed not later than September 1, 2026.

(b) (1) Prior to the effective date of this section, (A) the chairperson of the council shall be the Commissioner of Administrative Services, or the commissioner's designee; **[**. A**]** and (B) a person employed by the Department of Administrative Services who is responsible for school building projects shall serve as the administrative staff of the council.

(2) On and after the effective date of this section, (A) the chairperson of the council shall be the Commissioner of Emergency Services and Public Protection, or the commissioner's designee; and (B) a person employed by the Department of Emergency Services and Public Protection shall serve as the administrative staff of the council.

(3) The council shall meet at least quarterly to discuss matters relating to school **[**building**]** safety and security infrastructure projects.

[(b)**]** (c) The **[**School Building Projects Advisory Council**]** council shall (1) develop **[**model blueprints for new school building**]** recommendations regarding school safety and security infrastructure projects that are in accordance with industry standards for school **[**buildings and the school safety infrastructure criteria, developed pursuant to section 10-292r**]** safety and security infrastructure, (2) conduct studies, research and analyses related to school safety and security infrastructure, (3) make recommendations for improvements to the school **[**building projects**]** safety and security grant processes, including eligibility criteria, to the Governor and the joint standing **[**committee**]** committees of the General Assembly having cognizance of matters relating to **[**appropriations and the budgets of state agencies,**]** education and **[**finance, revenue and bonding**]** public safety, and (4) periodically review and update, as necessary, the school safety infrastructure criteria developed pursuant to section 10-292r.

Sec. 399. Section 10-292r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The **[**School Building Projects Advisory Council**]** School Safety and Security Infrastructure Advisory Council, established pursuant to section 10-292q, shall periodically review and update, as necessary, school safety infrastructure criteria for school building projects awarded grants pursuant to this chapter and the school security infrastructure competitive grant program, pursuant to section 84 of public act 13-3. Such school safety infrastructure criteria shall conform to industry standards for school building safety infrastructure and shall address areas including, but not be limited to, (1) entryways to school buildings and classrooms, such as, reinforcement of entryways, ballistic glass, solid core doors, double door access, computer-controlled electronic locks, remote locks on all entrance and exits and buzzer systems, (2) the use of cameras throughout the school building and at all entrances and exits, including the use of closed-circuit television monitoring, (3)

penetration resistant vestibules, and (4) other security infrastructure improvements and devices as they become industry standards. The council shall meet at least annually to review and update, if necessary, the school safety infrastructure criteria and make such criteria available to local and regional boards of education.

(b) The **[**School Building Projects Advisory Council**]** council shall submit any updates made to the school safety infrastructure criteria to the Commissioners of Emergency Services and Public Protection and Education and the joint standing committees of the General Assembly having cognizance of matters relating to public safety and education, in accordance with the provisions of section 11-4a.

Sec. 400. Subsections (b) and (c) of section 10-264h of the 2026 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) Subject to the provisions of subsection (a) of this section, the applicant shall receive current payments of scheduled estimated eligible **[**project**]** costs for the interdistrict magnet school facility, provided (1) the applicant files an application for a school building project, in accordance with section 10-283, by the date prescribed by the Commissioner of Administrative Services, (2) final plans and specifications for the project are approved pursuant to sections 10-291 and 10-292, and (3) such applicant submits to the Commissioner of Education, in such form as the commissioner prescribes, and the commissioner approves a plan for the operation of the facility which includes, but need not be limited to: A description of the educational programs to be offered, the completion date for the project, an estimated budget for the operation of the facility, written commitments for participation from the districts that will participate in the school and an analysis of the effect of the program on the reduction of racial, ethnic and economic isolation. The Commissioner of Education shall notify the Commissioner of Administrative Services and the secretary of the State

Bond Commission when the provisions of subdivision (3) of this subsection have been met. Upon application to the Commissioner of Administrative Services, compliance with the provisions of subdivision (3) of this subsection and after authorization by the General Assembly pursuant to section 10-283, the applicant shall be eligible to receive progress payments in accordance with the provisions of section 10-287i.

(c) (1) If the school building ceases to be used as an interdistrict magnet school facility and the grant was provided for the purchase or construction of the facility, the Commissioner of Administrative Services, in consultation with the Commissioner of Education, shall determine whether (A) title to the building and any legal interest in appurtenant land shall revert to the state, or (B) the school district shall reimburse the state an amount equal to the difference between the amount received pursuant to this section and the amount the district would have been eligible to receive based on the percentage determined pursuant to section 10-285a, multiplied by the estimated eligible **[**project**]** costs.

(2) If the school building ceases to be used as an interdistrict magnet school facility and the grant was provided for the extension or major alteration of the facility, the school district shall reimburse the state the amount determined in accordance with subparagraph (B) of subdivision (1) of this subsection. A school district receiving a request for reimbursement pursuant to this subdivision shall reimburse the state not later than the close of the fiscal year following the year in which the request is made. If the school district fails to so reimburse the state, the Department of Administrative Services may request the Department of Education to withhold such amount from the total sum which is paid from the State Treasury to such school district or the town in which it is located or, in the case of a regional school district, the towns which comprise the school district. If the amount paid from the State Treasury is less than the amount due, the Department of Administrative Services

shall collect such amount from the school district.

Sec. 401. Subdivision (12) of section 10-282 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(12) "Net eligible costs" means eligible **[**project**]** costs adjusted for the state standard education space specifications;

Sec. 402. Subdivisions (5) and (6) of subsection (a) of section 10-286 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):

(5) In the case of a public school administrative or service facility, one-half of the eligible percentage for subdivisions (1) and (2) of this subsection of the eligible **[**project**]** cost as determined by the Commissioner of Administrative Services, or in the case of a regional educational service center administrative or service facility, the eligible percentage, as determined pursuant to subsection (c) of section 10-285a, of the eligible **[**project**]** cost as determined by the commissioner;

(6) In the case of the total replacement of a roof or the total replacement of a portion of a roof which has existed for at least twenty years, or in the case of the total replacement of a roof or the total replacement of a portion of a roof which has existed for fewer than twenty years when it is determined by a registered architect or registered engineer that such roof was improperly designed or improperly constructed and the town is prohibited from recovery of damages or has no other recourse at law or in equity, the eligible percentage for subdivisions (1) and (2) of this subsection, of the eligible cost as determined by the Commissioner of Administrative Services. In the case of the total replacement of a roof or the total replacement of a portion of a roof which has existed for fewer than twenty years (A) when it is determined by a registered architect or registered engineer that such

roof was improperly designed or improperly constructed and the town has recourse at law or in equity and recovers less than such eligible cost, the eligible percentage for subdivisions (1) and (2) of this subsection of the difference between such recovery and such eligible cost, and (B) when the roof is at least fifteen years old but less than twenty years old and it cannot be determined by a registered architect or registered engineer that such roof was improperly designed or improperly constructed, the eligible percentage for subdivisions (1) and (2) of this subsection of the eligible **[**project**]** costs provided such costs are multiplied by the ratio of the age of the roof to twenty years. For purposes of this subparagraph, the age of the roof shall be determined in whole years to the nearest year based on the time between the completed installation of the old roof and the date of the grant application for the school construction project for the new roof;

Sec. 403. Section 10-287i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

A grant under this chapter for any school building project authorized by the General Assembly on or after July 1, 1996, or for any project for which application is made pursuant to subsection (b) of section 10-283, on or after July 1, 1997, shall be paid as follows: Applicants shall request progress payments for the state share of eligible **[**project**]** costs calculated pursuant to sections 10-65, 10-76e and 10-286, at such time and in such manner as the Commissioner of Administrative Services shall prescribe provided no payments shall commence until the applicant has filed a notice of authorization of funding for the local share of project costs, and provided further no payments other than those for architectural planning and site acquisition shall be made prior to approval of the final architectural plans pursuant to section 10-292. For any project authorized on or after July 1, 2024, the Department of Administrative Services shall withhold five per cent of a grant if the commissioner determines that the applicant has failed to comply with

the provisions of subdivision (3) of subsection (b) of section 4a-60g relating to minority business enterprises. The Department of Administrative Services shall withhold five per cent of a grant pending completion of an audit pursuant to section 10-287 provided, if the department is unable to complete the required audit within six months of the date a request for final payment is filed, the applicant may have an independent audit performed and include the cost of such audit in the eligible **[**project**]** costs.

Sec. 404. Section 10-285b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) (1) Any incorporated or endowed high school or academy approved by the State Board of Education, pursuant to section 10-34, may apply and be eligible to subsequently be considered for a school building project grant commitment from the state, provided the school building project complies with the provisions of this chapter.

(2) Applications pursuant to this subsection shall be filed at such time and on such forms as the Department of Administrative Services prescribes. The Commissioners of Education and Administrative Services shall approve such applications pursuant to the provisions of section 10-284.

(3) In the case of a school building project, as defined in subparagraph (A) of subdivision (3) of section 10-282, the amount of the grant approved by the Commissioner of Administrative Services shall be computed pursuant to the provisions of section 10-286, and the eligible percentage shall be computed pursuant to the provisions of subsection (b) of this section. The calculation of the grant pursuant to this section shall be made in accordance with the state standard space specifications in effect at the time of final grant calculation.

(b) The percentage of school building project grant money each

incorporated or endowed high school or academy may be eligible to receive under the provisions of subsection (a) of this section shall be determined by its ranking. The ranking shall be determined by (1) multiplying the total population, as defined in section 10-261, of each town which at the time of application for such school construction grant commitment has designated such school as the high school for such town for a period of not less than five years from the date of such application, by such town's percentile ranking, as determined in subsection (a) of section 10-285a, (2) adding together the figures for each town determined under subdivision (1) of this subsection, and (3) dividing the total computed under subdivision (2) of this subsection by the total population of all towns which designate the school as their high school under subdivision (1) of this subsection. The ranking determined pursuant to this subsection shall be rounded to the next higher whole number. Such high school or academy shall receive the reimbursement percentage of a town with the same rank increased by five per cent, except that the reimbursement percentage of such high school or academy shall not exceed eighty-five per cent.

(c) In order for an incorporated or endowed high school or academy to be eligible for a grant commitment pursuant to this section such high school or academy shall provide educational services to the town or towns designating it as the high school for such town or towns for a period of not less than ten years after completion of grant payments under this section.

(d) Notwithstanding the provisions of this chapter, for any school building project for an incorporated or endowed high school or academy that has been authorized by the General Assembly, the Commissioner of Administrative Services may waive any provision of this chapter that is inconsistent or incompatible with the educational or administrative structure of such high school or academy in order to provide a grant to such high school or academy under this chapter.

Sec. 405. (*Effective from passage*) Notwithstanding the provisions of subdivision (1) of subsection (e) of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section increasing the reimbursement percentage for an entire school building project that includes the expansion of an existing building to include space for an early childhood care and education program, the town of Greenwich shall be eligible for such increased reimbursement percentage for the entire extension and alteration and roof replacement project at Old Greenwich School (Project Number 057-0115 EA/RR), provided the application for such extension and alteration and roof replacement project submitted by the town of Greenwich on June 21, 2024, includes plans and specifications for space for an early childhood care and education program that would otherwise be eligible under said section.

Sec. 406. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, for any school building project that was previously authorized and that has changed substantially in scope or cost and is seeking reauthorization, the renovation project at Edgewood Pre-K Academy (Project Number 24DASY017090RNV0624) in the town of Bristol with costs not to exceed twenty-eight million eight hundred thousand dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Bristol meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of subsection (e) of section 10-

285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section increasing the reimbursement percentage for a school building project that includes the expansion of an existing building to include space for an early childhood care and education program, the town of Bristol shall be eligible for such increased reimbursement percentage for the renovation project at Edgewood Pre-K Academy (Project Number 24DASY017090RNV0624), provided the application for reauthorization for such renovation project submitted by the town of Bristol includes plans and specifications for space for an early childhood care and education program that would otherwise be eligible under said section.

Sec. 407. (*Effective from passage*) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the reimbursement percentage determined pursuant to said section shall be increased by ten percentage points for the town of Plainville for the renovation project at Middle School of Plainville (Project Number 110-0064 RNV).

Sec. 408. Section 128 of public act 23-205 is repealed and the following is inserted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section 10-283 requiring a completed grant application be submitted prior to June 30, 2022, the renovation and extension and alteration project at John Winthrop Elementary School (Project Number 015-0182 RNV/EA) in the town of Bridgeport with costs not to exceed seventy-five million dollars shall be included in subdivision (1) of section 114 of **[**this act**]**

public act 23-205 and shall subsequently be considered for a grant commitment from the state, provided the town of Bridgeport files an application for such school building project prior to **[**October 1**]** December 30, 2023, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of subsection (e) of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section increasing the reimbursement percentage for a school building project that includes the expansion of an existing building to include space for an early childhood care and education program, the town of Bridgeport shall be eligible for such increased reimbursement percentage for the renovation and extension and alteration project at John Winthrop Elementary School (Project Number 015-0182 RNV/EA), provided the application for such renovation and extension and alteration project submitted by the town of Bridgeport on December 29, 2023, includes plans and specifications for space for an early childhood care and education program that would otherwise be eligible under said section.

Sec. 409. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project at East End Elementary School in the town of Bridgeport with costs not to exceed one hundred thirty-two million dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Bridgeport files an application for such school building project prior to September 1, 2026, and meets all

other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Bridgeport may use the reimbursement rate of ninety-five per cent for the school building project at East End Elementary School, provided such school building project includes plans and specifications for space for an early childhood care and education program and results in a net zero school building facility.

Sec. 410. (*Effective from passage*) Notwithstanding the provisions of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, the town of Westport shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the new construction project at Long Lots Elementary School (Project Number 158-0101 N).

Sec. 411. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project at Mary T. Murphy Elementary School in the town of Branford with costs not to exceed ninety-eight million dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Branford files an application for

such school building project prior to October 1, 2026, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the reimbursement percentage determined pursuant to said section shall be increased by fifteen percentage points for the town of Branford for the school building project at Mary T. Murphy Elementary School.

Sec. 412. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project at Mary R. Tisko Elementary School in the town of Branford with costs not to exceed ninety-eight million dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Branford files an application for such school building project prior to October 1, 2026, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of

education may be eligible to receive for a school building project, the reimbursement percentage determined pursuant to said section shall be increased by fifteen percentage points for the town of Branford for the school building project at Mary R. Tisko Elementary School.

Sec. 413. Section 125 of public act 23-205, as amended by section 187 of public act 24-151, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2022, the renovation project at Jefferson Elementary School in the town of New Britain with costs not to exceed seventy million dollars shall be included in subdivision (1) of section 114 of public act 23-205 and shall subsequently be considered for a grant commitment from the state, provided the town of New Britain files an application for such school building project prior to October 1, 2028, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of New Britain may use the reimbursement rate of ninety-five per cent for the renovation project at Jefferson Elementary School, provided (1) the school district for the town of New Britain is an educational reform district, as defined in section 10-262u of the general statutes, on the effective date of this section, and (2) the school building committee

responsible for undertaking such school building project is established in accordance with the provisions of section 120 of public act 21-111, as amended by public act 23-205.

(c) Notwithstanding the provisions of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, the town of New Britain shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the renovation project at Jefferson Elementary School.

Sec. 414. (*Effective July 1, 2026*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project at Prudence Crandall Elementary School in the town of Enfield with costs not to exceed one hundred thirteen million nine hundred ninety-six thousand nine hundred fifty-seven dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Enfield files an application for such school building project prior to October 1, 2026, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-284 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services requiring that a town or regional school district begin construction on a project not later than two years after the effective date of the section of the General Assembly authorizing the Commissioner of Administrative Services to enter into

grant commitments for such project, the town of Enfield shall have until June 30, 2030, to begin construction on the school building project at Prudence Crandall Elementary School.

(c) Notwithstanding the provisions of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, the town of Enfield shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the school building project at Prudence Crandall Elementary School.

Sec. 415. (*Effective July 1, 2026*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project at Hazardville Memorial Elementary School in the town of Enfield with costs not to exceed one hundred five million five hundred two thousand two hundred two dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Enfield files an application for such school building project prior to October 1, 2026, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-284 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services requiring that a town or regional school district begin construction on a project not later than two years after the effective date of the section of the General Assembly

authorizing the Commissioner of Administrative Services to enter into grant commitments for such project, the town of Enfield shall have until June 30, 2030, to begin construction on the school building project at Hazardville Memorial Elementary School.

(c) Notwithstanding the provisions of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, the town of Enfield shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the school building project at Hazardville Memorial Elementary School.

Sec. 416. (*Effective from passage*) (a) Notwithstanding the provisions of subdivision (3) of section 10-282 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the definition of school building project, the construction, extension or major alteration of a gymnasium, including an ice rink, at West Haven High School shall be considered a school building project and subsequently qualify for a school building project grant under chapter 173 of the general statutes.

(b) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project described in subsection (a) of this section in the town of West Haven with costs not to exceed four million dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of West Haven files an application for such school building project prior to October 1, 2026, and meets all other provisions of chapter 173 of the

general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(c) Notwithstanding the provisions of subdivision (3) of subsection (a) of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services limiting reimbursement to one-half of the eligible percentage of the net eligible cost of construction to a town for the construction, extension or major alteration of a gymnasium, the town of West Haven shall receive full reimbursement of the eligible percentage for subdivisions (1) and (2) of subsection (a) of section 10-286 of the general statutes of the net eligible cost of the construction of a gymnasium, including an ice rink, as part of the school building project described in subsection (a) of this section at West Haven High School.

Sec. 417. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, the town of Seymour shall be eligible to receive reimbursement under chapter 173 of the general statutes for certain ineligible costs associated with any existing or future energy or infrastructure improvement projects, including, but not limited to, photovoltaic, building management systems, energy conservation, heating, ventilation and air conditioning systems and roof replacement projects, at any public elementary, middle or high school in the town that are financed through a tax-exempt lease purchase agreement entered into between July 1, 2025, and June 30, 2027.

Sec. 418. (*Effective July 1, 2026*) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that

a local board of education may be eligible to receive for a school building project, the reimbursement percentage determined pursuant to said section shall be increased by twenty percentage points for the town of South Windsor for any school building project for South Windsor High School for which an application is submitted to the Department of Administrative Services, pursuant to section 10-283 of the general statutes, on or before June 30, 2027.

Sec. 419. (*Effective from passage*) (a) Notwithstanding the provisions of subdivision (6) of subsection (a) of section 10-286 of the general statutes or any regulations adopted by the State Board of Education or the Department of Administrative Services regarding eligible costs for roof replacement projects and requiring that a roof be at least twenty years old to qualify for a grant for a replacement of such roof, the roof at Suffield High School shall be deemed to be twenty years old and the town of Suffield may replace the roof at Suffield High School and be eligible to receive a grant based on the eligible percentages determined pursuant to said section of the eligible project costs.

(b) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section 10-283 requiring that the description of a project type for a school building project be made at the time of application for a school building project grant, the town of Suffield may change the description of the roof replacement project at Suffield High School to a roof replacement and photovoltaic project and subsequently qualify as a roof replacement and photovoltaic project.

Sec. 420. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project at Suffield

Middle School in the town of Suffield with costs not to exceed one hundred nineteen million five hundred thousand dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Suffield files an application for such school building project prior to July 1, 2026, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the reimbursement percentage determined pursuant to said section shall be increased by ten percentage points for the town of Suffield for the school building project at Suffield Middle School.

Sec. 421. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project at Timothy Dwight Elementary School in the town of Fairfield with costs not to exceed seventy-six million dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Fairfield files an application for such school building project prior to July 1, 2026, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Fairfield may use the reimbursement rate of seventy-five per cent for the school building project at Timothy Dwight Elementary School.

Sec. 422. (*Effective from passage*) Notwithstanding the provisions of section 10-292 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services requiring that a bid not be let out until plans and specifications have been approved by the Department of Administrative Services, the town of Fairfield shall be reimbursed for eligible project costs for a project to update the heating, ventilation and air conditioning system at Tomlinson Middle School, provided the town of Fairfield meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 423. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project at Casimir Pulaski Elementary School in the town of Meriden with costs not to exceed one hundred twenty-two million dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Meriden files an application for such school building project prior to October 1, 2026, and meets all other provisions of chapter 173 of the general statutes or any

regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 424. (*Effective from passage*) (a) Notwithstanding the provisions of subdivision (3) of section 10-282 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the definition of school building project, the construction of outdoor athletic facilities, including synthetic turf field replacement, at Cheshire High School shall be considered a school building project and subsequently qualify for a school building project grant under chapter 173 of the general statutes.

(b) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project described in subsection (a) of this section in the town of Cheshire with costs not to exceed one million five hundred thousand dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Cheshire files an application for such school building project prior to July 1, 2027, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(c) Notwithstanding the provisions of subparagraph (B) of subdivision (2) of subsection (a) of section 10-285a of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a town may be eligible

to receive for a school building project, the town of Cheshire shall use the reimbursement rate of ninety-five per cent for the school building project described in subsection (a) of this section at Cheshire High School.

(d) Notwithstanding the provisions of subdivision (3) of subsection (a) of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services limiting reimbursement to one-half of the eligible percentage of the net eligible cost of construction to a town for the construction, extension or major alteration of outdoor athletic facilities, the town of Cheshire shall receive full reimbursement of the reimbursement percentage described in subsection (c) of this section of the net eligible cost of the construction of outdoor athletic facilities, including synthetic turf field replacement, as part of the school building project described in subsection (a) of this section at Cheshire High School.

Sec. 425. (*Effective from passage*) (a) Notwithstanding the provisions of subdivision (3) of section 10-282 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the definition of school building project, the construction of outdoor athletic facilities, including the installation or replacement of synthetic turf fields, replacement of a track and replacement of tennis courts, at Glastonbury High School shall be considered a school building project and subsequently qualify for a school building project grant under chapter 173 of the general statutes.

(b) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project described in subsection (a) of this section in the town of Glastonbury with costs not to exceed five million

five hundred twenty-five thousand dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Glastonbury files an application for such school building project prior to July 1, 2027, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(c) Notwithstanding the provisions of subdivision (3) of subsection (a) of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services limiting reimbursement to one-half of the eligible percentage of the net eligible cost of construction to a town for the construction, extension or major alteration of a gymnasium, the town of Glastonbury shall receive full reimbursement of the eligible percentage for subdivisions (1) and (2) of subsection (a) of section 10-286 of the general statutes of the net eligible cost of the construction of outdoor athletic facilities as part of the school building project described in subsection (a) of this section at Glastonbury High School.

(d) Notwithstanding the provisions of section 10-292 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services requiring that a bid not be let out until plans and specifications have been approved by the Department of Administrative Services, the town of Glastonbury shall be reimbursed for eligible project costs for the construction of outdoor athletic facilities as part of the school building project described in subsection (a) of this section at Glastonbury High School, provided the town of Glastonbury meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 426. Section 127 of public act 23-205 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section 10-283 requiring a completed grant application be submitted prior to June 30, 2022, the alteration and code compliance project at Naubuc Elementary School (Project Number 054-0099 A/CV) in the town of Glastonbury with costs not to exceed three million two hundred thousand dollars shall be included in subdivision (1) of section 114 of **[**this act**]** public act 23-205 and shall subsequently be considered for a grant commitment from the state, provided the town of Glastonbury files an application for such school building project prior to October 1, 2023, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-287 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section 10-287 requiring a competitive bidding process for orders and contracts for school building projects receiving state assistance under chapter 173 of the general statutes, the town of Glastonbury shall be eligible to receive full reimbursement for the ineligible costs associated with the design fees for such project.

Sec. 427. (*Effective from passage*) The Commissioner of Administrative Services shall waive any audit deficiencies for the town of New Haven related to costs associated with the projects at (1) Worthington Hooker School (Project Number 093-0342 PF/EA), (2) Christopher Columbus School (Project Number 093-0348 EA/RR), (3) Engineering and Science University Magnet School (Project Number 093-0357), (4) New Haven

Academy (Project Number 093-0364), (5) Strong 21st Century Communication Lab School (Project Number 093-0368), (6) Central Registration Office (Project Number 093-0366), (7) Helene Grant/Dr. Mayo (Project Number 093-0365), (8) Roberto Clemente Leadership Academy for Global Awareness (Project Number 093-0351 N), (9) Hill Central School (Project Number 093-0353 N), and (10) Bowen Field (Project Number 093-0367).

Sec. 428. Section 161 of public act 25-174 is repealed. (*Effective from passage*)

Sec. 429. (*Effective from passage*) (a) Notwithstanding the provisions of subsection (d) of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring all change orders or other change directives issued on or after July 1, 2008, to be submitted not later than six months after the date of such issuance, the town of North Branford may submit change orders issued after such six-month time limit for the new construction project at North Branford High School (Project Number 099-0053 N) for reimbursement of eligible costs from the state, provided change orders are submitted on or before January 1, 2027, and have been reviewed and approved by the Department of Administrative Services.

(b) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, the town of North Branford shall be eligible to receive reimbursement for certain ineligible costs resulting from premium time and rework associated with the new construction project at North Branford High School (Project Number 099-0053 N), provided such reimbursement for such ineligible costs do not exceed five hundred ninety-five thousand dollars.

Sec. 430. Section 176 of public act 25-174 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project for a preschool through grade eight school consolidation project in the town of Willington with costs not to exceed one hundred ten million dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Willington files an application for such school building project prior to October 1, 2027, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, as amended by **[**this act**]** public act 25-174, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the reimbursement percentage determined pursuant to said section shall be increased by fifteen percentage points for the town of Willington for **[**any**]** the school building project for **[**which an application is submitted to the Department of Administrative Services, pursuant to section 10-283 of the general statutes, on or before June 30, 2027**]** a preschool through grade eight school consolidation project.

(c) Notwithstanding the provisions of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section

concerning the calculation of grants using the state standard space specifications, the town of Willington shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the school building project for a preschool through grade eight school consolidation project.

Sec. 431. (*Effective July 1, 2026*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project at Beecher Road School in the town of Woodbridge with costs not to exceed one hundred eighteen million five hundred thousand dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Woodbridge files an application for such school building project prior to October 1, 2026, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of subsection (l) of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section increasing the reimbursement percentage by five percentage points if the municipality meets the requirements of section 8-13bb or 8-13hh of the general statutes or has adopted a development district, the reimbursement rate for the town of Woodbridge shall be increased by five percentage points for the school building project at Beecher Road School, provided the town of Woodbridge meets the requirements of section 8-13bb or 8-13hh of the general statutes or has adopted a development district and would otherwise be eligible under subsection (l) of section 10-285a of the

general statutes.

(c) Notwithstanding the provisions of subdivision (6) of subsection (a) of section 10-286 of the general statutes or any regulations adopted by the State Board of Education or the Department of Administrative Services regarding eligible costs for roof replacement projects and requiring that a roof be at least twenty years old to qualify for a grant for a replacement of such roof, the roof at Beecher Road School shall be deemed to be twenty years old and the town of Woodbridge may replace the roof at Beecher Road School and be eligible to receive a grant based on the eligible percentages determined pursuant to said section of the eligible project costs.

Sec. 432. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, the town of Naugatuck shall be eligible to receive reimbursement under chapter 173 of the general statutes for certain ineligible costs associated with any existing or future energy or infrastructure improvement projects, including, but not limited to, photovoltaic, building management systems, energy conservation, heating, ventilation and air conditioning systems and roof replacement projects, at any public elementary, middle or high school in the town that are financed through a tax-exempt lease purchase agreement entered into between July 1, 2025, and June 30, 2027.

Sec. 433. Section 158 of public act 25-174 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30,

2024, the school building project at King Street Primary School in the town of Danbury with costs not to exceed seven million dollars shall be included in subdivision (1) of section 141 of **[**this act**]** public act 25-174 and shall subsequently be considered for a grant commitment from the state, provided the town of Danbury files an application for such school building project prior to October 1, **[**2025**]** 2027, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, as amended by **[**this act**]** public act 25-174, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Danbury may use the reimbursement rate of eighty per cent for the school building project at King Street Primary School.

(c) Notwithstanding the provisions of section 10-284 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services requiring that a town or regional school district begin construction on a project not later than two years after the effective date of the section of the General Assembly authorizing the Commissioner of Administrative Services to enter into grant commitments for such project, the town of Danbury shall have until October 1, 2029, to begin construction on the school building project at King Street Primary School.

Sec. 434. Section 5 of public act 20-8 of the September special session, as amended by section 383 of public act 22-118, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2019, the new construction project at Norwalk High School in the town of Norwalk with costs not to exceed **[**two hundred thirty-nine million**]** two hundred sixty million seven hundred thirty-four thousand eight hundred twelve dollars shall be included in subdivision (1) of section 1 of public act 20-8 of the September special session and shall subsequently be considered for a grant commitment from the state, provided the town of Norwalk files an application for such school building project prior to December 31, 2020, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Except as otherwise provided in subsections (c) and (d) of this section, notwithstanding the provisions of section 10-285a of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Norwalk may use the reimbursement rate of eighty per cent for the new construction project at Norwalk High School, provided the local board of education for the town of Norwalk (1) establishes a pathways in technology early college high school program at the new Norwalk High School and such program enrolls students from surrounding towns with priority given to students from Stamford and Bridgeport, and (2) does not restrict students who are not enrolled in an arts pathways program offered at Norwalk High School from joining or otherwise participating in any arts or music program offered as part of the regular school curriculum or any extracurricular arts or music-

related program.

(c) (1) Notwithstanding the provisions of section 10-285a of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Norwalk may use the reimbursement rate of fifty per cent for the construction of a natatorium as part of the new construction project at Norwalk High School.

(2) Notwithstanding the provisions of subdivision (3) of subsection (a) of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services limiting reimbursement to one-half of the eligible percentage of the net eligible cost of construction to a town for construction, the town of Norwalk shall receive full reimbursement of the reimbursement percentage described in subdivision (1) of this subsection of the net eligible cost of the new construction project at Norwalk High School.

(d) Notwithstanding the provisions of section 10-285a of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Norwalk may use the reimbursement rate of fifty per cent for site acquisition costs associated with the purchase of any parcels of land adjacent to the site of the new construction project at Norwalk High School.

Sec. 435. Section 149 of public act 25-174, as amended by section 18 of public act 26-1, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2024, the school building project at Middlefield Memorial School in Regional District 13 with costs not to exceed seventy-six million one hundred thirty thousand dollars shall be included in subdivision (1) of section 141 of public act 25-174 and shall subsequently be considered for a grant commitment from the state, provided Regional District 13 files an application for such school building project prior to October 1, 2025, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring that the description of a project type for a school building project be made at the time of application for a school building project grant and the provisions of subdivision (18) of section 10-282 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section 10-282 concerning the definition of renovation, Regional District 13 may change the description of the school building project at Middlefield Memorial School to a renovation project and subsequently qualify as a renovation, as defined in subdivision (18) of said section 10-282.

(c) Notwithstanding the provisions of subdivision (1) of subsection (e) of section 10-285a of the general statutes, revision of 1958, revised to January 1, 2025, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to

said section increasing the reimbursement percentage for a school building project that includes the expansion of an existing building to include space for an early childhood care and education program by fifteen percentage points for the portion of the building used primarily for such program, the reimbursement percentage for the school building project at Middlefield Memorial School in Regional District 13 shall be increased by fifteen percentage points for the entire school building project.

(d) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, Regional District 13 shall be eligible to receive reimbursement for certain ineligible costs relating to the Phase 1 swing space used for students while the school building project at Middlefield Memorial School was being completed, provided such ineligible costs do not exceed two million dollars.

(e) Notwithstanding the provisions of subparagraph (B) of subdivision (3) of subsection (b) of section 10-287 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the inclusion of a guaranteed maximum price for the cost of construction in a construction manager's contract prior to the commencement of work relating to site preparation and demolition, Regional District 13 shall be eligible to receive reimbursement for costs associated with work relating to site preparation and demolition that was not included as part of the guaranteed maximum price determined for the construction manager's contract prior to the commencement of such work for the renovation project at Middlefield Memorial School.

Sec. 436. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services

pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the new construction project at Pomperaug Elementary School in Regional District 15 with costs not to exceed one hundred twelve million three hundred thousand dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided Regional District 15 files an application for such school building project prior to October 1, 2027, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, Regional District 15 shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the new construction project at Pomperaug Elementary School.

Sec. 437. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the new construction project at Gainfield Elementary School in Regional District 15 with costs not to exceed one hundred eleven million nine hundred ten thousand dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided Regional District 15 files an application for such school building project prior to October 1, 2027, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to

said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, Regional District 15 shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the new construction project at Gainfield Elementary School.

Sec. 438. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2025, the school building project at Haddam-Killingworth High School in Regional District 17 with costs not to exceed one hundred fifty-one million nine hundred thousand dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided Regional District 17 files an application for such school building project prior to October 1, 2026, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, Regional District 17 may use the reimbursement rate of fifty-one and forty-three hundredths per cent for the school building project at Haddam-Killingworth High School.

(c) Notwithstanding the provisions of section 10-286 of the general statutes or any regulation adopted by the Department of Administrative Services or the State Board of Education pursuant to said section concerning the calculation of grants using the state standard space specifications, Regional District 17 shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the school building project at Haddam-Killingworth High School.

(d) Notwithstanding the provisions of subdivision (5) of subsection (a) of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services limiting reimbursement to one-half of the eligible percentage of the net eligible cost of construction to a town for the construction, extension or major alteration of outdoor athletic facilities, tennis courts or a natatorium, gymnasium or auditorium, Regional District 17 shall receive full reimbursement of the reimbursement percentage described in subsection (b) of this section of the net eligible cost of such construction, extension or major alteration as part of the school building project at Haddam-Killingworth High School.

Sec. 439. (*Effective from passage*) (a) Notwithstanding the provisions of subdivision (3) of section 10-282 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the definition of school building project, the renovation of a bus loop at The Gilbert School shall be considered a school building project and subsequently qualify for a school building project grant under chapter 173 of the general statutes.

(b) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30,

2025, the school building project at The Gilbert School with costs not to exceed four million six hundred eighty-five thousand dollars shall be included in section 396 of this act and shall subsequently be considered for a grant commitment from the state, provided The Gilbert School files an application for such school building project prior to October 1, 2026, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 440. Section 171 of public act 25-174 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2024, the alteration project at the Norwich Free Academy campus in the town of Norwich with costs not to exceed five million six hundred ten thousand dollars shall be included in subdivision (1) of section 141 of **[**this act**]** public act 25-174 and shall subsequently be considered for a grant commitment from the state, provided Norwich Free Academy files an application for such school building project prior to October 1, 2025, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of subsection (l) of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that an endowed academy approved pursuant to section 10-34 of the general statutes may be eligible to receive for a school building project, Norwich

Free Academy may use the reimbursement rate of ninety-five per cent for the school building project at Norwich Free Academy.

[(b)**]** (c) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, Norwich Free Academy shall be eligible to receive reimbursement for certain ineligible costs for the alteration project at the Norwich Free Academy campus in the town of Norwich for ordinary resurfacing, maintenance, repairs and replacements, repair of site improvements and artificial turf.

[(c)**]** (d) Notwithstanding the provisions of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, Norwich Free Academy shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the school building project at the Norwich Free Academy.

(e) Notwithstanding the provisions of section 10-287 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section 10-287 requiring a competitive bidding process for orders and contracts for school building projects receiving state assistance under chapter 173 of the general statutes, the provisions of said section 10-287 related to all orders and contracts for school building construction shall not apply to the school building project at the Norwich Free Academy and Norwich Free Academy shall be eligible to receive full reimbursement for the ineligible costs associated with any orders and contracts for such project.

(f) Notwithstanding the provisions of section 10-292 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services requiring that a bid not be

let out until plans and specifications have been approved by the Department of Administrative Services, Norwich Free Academy shall be reimbursed for eligible project costs for the school building project at Norwich Free Academy.

Sec. 441. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, the town of Cheshire shall be eligible to receive reimbursement under chapter 173 of the general statutes and any related chapters of the general statutes for certain ineligible costs associated with any existing or future school building projects for energy or infrastructure improvement, including, but not limited to, photovoltaic installations on roofs or free-standing solar carports or free-standing, ground-based solar arrays, building management systems, energy conservation, heating, ventilation and air conditioning systems, and roof replacement projects, at any elementary, middle or high school in the town that are financed through a tax-exempt lease purchase agreement and part of an overall energy performance contract that has been previously executed and duly awarded through a prior procurement process.

Sec. 442. Subsection (b) of section 17b-191 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) The state-administered general assistance program shall provide cash assistance of **[**(1)**]** two hundred sixty-nine dollars per month **[**for an unemployable person upon determination of such person's unemployability; (2) two hundred dollars per month for a transitional person who is required to pay for shelter; and (3) fifty dollars per month for a transitional person who is not required to pay for shelter**]** to persons eligible for the program. The standard of assistance paid for individuals residing in rated boarding facilities shall remain at the level

in effect on August 31, 2003. No person shall be eligible for cash assistance under the program if eligible for cash assistance under any other state or federal cash assistance program. The standards of assistance set forth in this subsection shall be subject to annual increases, as described in subsection (b) of section 17b-104.

Sec. 443. Subsection (f) of section 17b-274d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(f) Nonpreferred drugs in the classes of drugs included on the preferred drug lists shall be subject to prior authorization. Prior authorization is not required for any mental-health-related drug that has been filled or refilled, in any dosage, at least one time in the one-year period prior to the date the individual presents a prescription for the drug at a pharmacy. If prior authorization is granted for a drug not included on a preferred drug list, the authorization shall be valid for one year from the date the prescription is first filled. **[**Antiretroviral classes of drugs shall not be included on the preferred drug lists.**]**

Sec. 444. (NEW) (*Effective July 1, 2026*) (a) The Commissioner of Social Services may periodically review available data on the clinical effectiveness of outpatient prescription drugs covered under the Medicaid program that are projected to exceed (1) a net cost per consumer, after factoring in rebates, of twenty-five thousand dollars per year, or (2) an annual aggregate cost, after factoring in rebates to the medical assistance program, of ten million dollars. The commissioner may, within available appropriations, contract with a third party to conduct a comparative effectiveness review of any such outpatient prescription drug. For purposes of this section, "rebate" means an amount sent to the state by a prescription drug manufacturer to offset the cost of outpatient prescription drugs covered by the Medicaid program.

(b) Any such comparative effectiveness review shall include, but need not be limited to: (1) Clinical efficacy and outcomes; (2) information relating to the pricing of the outpatient prescription drug, including, but not limited to, information relating to prices paid by other states or developed nations; (3) such drug's net price to the Medicaid program as compared to its therapeutic benefits, including, but not limited to, the seriousness and prevalence of the disease or condition that is treated by the drug; (4) the extent of utilization of such drug; (5) the likelihood that the use of such drug will reduce the need for other medical care; (6) the number of manufacturers that produce such drug; and (7) whether there are pharmaceutical equivalents of such drug.

(c) Any such comparative effectiveness review shall not include any brand-name prescription drug or biologic that is designated for a rare disease or condition under 21 USC 360bb and for which the only approved indication is for one or more rare diseases or conditions.

(d) The Commissioner of Social Services may make public and share the results of any comparative effectiveness review with any entity, including any multistate prescription drug purchasing collaborative in which the state is a participating member, in order to help negotiate additional supplemental rebate agreements beyond any rebates required under federal law.

Sec. 445. Section 332 of public act 25-168 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

Notwithstanding the provisions of section 17b-340d of the general statutes, the Commissioner of Social Services shall, within available appropriations, increase nursing home facility rates to support wage increases for **[**nursing**]** licensed nurses engaged solely in direct patient care services and supports and not employed in administrative functions, nurse's aide, dietary, housekeeping, laundry and maintenance and plant operation personnel of three per cent effective

July 1, 2025, three per cent effective July 1, 2026, and four per cent effective January 1, 2027. Facilities that receive a rate adjustment for wage enhancements for employees but do not provide such enhancements may be subject to a rate decrease in the same amount as the adjustment.

Sec. 446. Subdivision (2) of subsection (a) of section 17b-340d of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(2) (A) Beginning July 1, 2022, facilities will be required to comply with collection and reporting of quality metrics as specified by the Department of Social Services, after consultation with the nursing home industry, consumers, employees and the Department of Public Health. Rate adjustments based on performance on quality metrics will be phased in, beginning July 1, 2022, with a period of reporting only. Effective July 1, 2023, the Department of Social Services shall issue individualized reports annually to each nursing home facility showing the impact to the Medicaid rate for such home based on the quality metrics program. A nursing home facility receiving an individualized quality metrics report may use such report to evaluate the impact of the quality metrics program on said facility's Medicaid reimbursement. On or after October 1, 2026, the Department of Social Services may establish a quality metrics program, within available appropriations designated for such purpose, to provide payments to nursing home facilities **[**(A)**]** (i) for high-quality outcomes based on performance in the quality metrics program, and **[**(B)**]** (ii) designed to incentivize the provision of high-quality services to nursing home residents who are Medicaid beneficiaries, as indicated in the individualized report issued to each nursing home facility pursuant to the provisions of this subdivision. Such quality metrics program shall evaluate nursing home facilities based on national quality measures for nursing home facilities issued by the Centers for Medicare and Medicaid Services and state-administered

consumer satisfaction measures. Such quality measures may be weighted higher for desired outcomes, as determined by the department. Not later than February 1, 2027, the department shall submit a report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and human services on the implementation of the quality metrics program.

(B) For the fiscal year ending June 30, 2029, and each fiscal year thereafter, the Department of Social Services shall make distributions, from an annual pool of ten million dollars of enhanced Medicaid quality performance payments, to eligible nursing home facilities based on each nursing home facility's performance in the quality metrics program. Payments will be determined based on the maximum quality score points a nursing home facility may be awarded for its performance in improving its quality metrics. In determining a nursing home facility's maximum quality score points, the department may use the Centers for Medicare and Medicaid Services' nursing home quarterly metrics for patients with stays of one hundred one days or longer, a consumer satisfaction survey and Department of Public Health data. Nursing home facilities that have been identified by the Centers for Medicare and Medicaid Services as special focus facilities for serious quality of care issues, special focus facility candidates or with an abuse icon on the centers' Nursing Home Compare Internet web site shall not be eligible for participation in the quality metrics program and shall not receive payment. Enhanced Medicaid quality performance payments may be prorated to stay within available appropriations.

(C) On and after July 1, 2026, the Department of Social Services shall utilize the nursing component of the Patient Driven Payment Model resident assessment to calculate quarterly adjustments to the Medicaid nursing home facility reimbursement case-mix index scores. To align

Medicaid cost data with the Patient Driven Payment Model resident assessment data, the department shall rebase nursing home facility Medicaid per diem rates using the cost year ending September 30, 2024, for rates effective July 1, 2026. To incorporate Patient Driven Payment Model data into the Medicaid per diem payment calculation, the department shall adjust Medicaid rates over a three-year phase-in period. The three-year phase-in period shall use phase-in parameters, including, but not limited to, budget adjustment factors, case-mix neutrality factors and stop loss and stop gain corridors, as necessary, to stay within available appropriations.

(D) Not later than July 1, 2026, the Department of Social Services shall implement a Medicaid utilization pool that provides enhanced Medicaid payments to nursing home facilities that have a resident payor mix that comprises more than seventy-five per cent of Medicaid members. Utilizing annual Medicaid cost reports, the department shall determine each nursing home facility's payor mix to identify nursing home facilities eligible to receive enhanced Medicaid payments on an annual basis. Payments shall be for the purpose of supporting increased Medicaid utilization and enhanced access and services for Medicaid members. Eligible nursing home facilities shall receive enhanced Medicaid funding from a funding pool limited to two million five hundred thousand dollars for the fiscal year ending June 30, 2027, and five million dollars for subsequent fiscal years. The Commissioner of Social Services may prorate enhanced Medicaid utilization payments to stay within available appropriations.

Sec. 447. Subdivision (12) of subsection (a) of section 17b-340d of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(12) For purposes of computing minimum allowable patient days, utilization of a facility's certified beds shall be determined at a minimum of ninety per cent of capacity, except for facilities that have undergone

a change in ownership, new facilities, and facilities which are certified for additional beds, which may be permitted a lower occupancy rate for the first three months of operation after the effective date of licensure. Notwithstanding the provisions of this subdivision, the Commissioner of Social Services may recalculate the Medicaid rate established for a licensed chronic and convalescent nursing home for the fiscal year ending June 30, 2026, and for each fiscal year thereafter, at any time during the fiscal year to address (A) any temporary licensed bed reductions due to closure of beds during renovations, (B) prolonged workforce staffing challenges, or (C) any other impediments to maintaining full patient census as the commissioner, in the commissioner's discretion, determines would justify relief from the minimum allowable patient days requirement.

Sec. 448. (*Effective July 1, 2026*) The Commissioner of Social Services shall amend the Medicaid state plan to increase rates of reimbursement for family planning services and provide not less than five hundred thousand dollars in Medicaid state share funding to increase such rates for licensed family planning clinics. The commissioner shall use funds appropriated for family planning services for the fiscal year ending June 30, 2027, for this purpose.

Sec. 449. Subsection (c) of section 17b-28 of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(c) On and after October 31, 2017, the council shall be composed of the following members:

(1) The chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to aging, human services, public health and appropriations and the budgets of state agencies, or their designees;

(2) Five appointed by the speaker of the House of Representatives, one of whom shall be a member of the General Assembly, one of whom shall be a community provider of adult Medicaid health services, one of whom shall be a recipient of Medicaid benefits for the aged, blind and disabled or an advocate for such a recipient, one of whom shall be a representative of the state's federally qualified health clinics and one of whom shall be a member of the Connecticut Hospital Association;

(3) Five appointed by the president pro tempore of the Senate, one of whom shall be a member of the General Assembly, one of whom shall be a representative of the home health care industry, one of whom shall be a primary care medical home provider, one of whom shall be an advocate for Department of Children and Families foster families and one of whom shall be a representative of the business community with experience in cost efficiency management;

(4) Three appointed by the majority leader of the House of Representatives, one of whom shall be an advocate for persons with substance abuse disabilities, one of whom shall be a Medicaid dental provider and one of whom shall be a representative of the for-profit nursing home industry;

(5) Three appointed by the majority leader of the Senate, one of whom shall be a representative of school-based health centers, one of whom shall be a recipient of benefits under the HUSKY Health program and one of whom shall be a physician who serves Medicaid clients;

(6) Three appointed by the minority leader of the House of Representatives, one of whom shall be an advocate for persons with disabilities, one of whom shall be a dually eligible Medicaid-Medicare beneficiary or an advocate for such a beneficiary and one of whom shall be a representative of the not-for-profit nursing home industry;

(7) Three appointed by the minority leader of the Senate, one of

whom shall be a low-income adult recipient of Medicaid benefits or an advocate for such a recipient, one of whom shall be a representative of hospitals and one of whom shall be a representative of the business community with experience in cost efficiency management;

(8) The executive director of the Commission on Women, Children, Seniors, Equity and Opportunity, or the executive director's designee;

(9) A member of the Commission on Women, Children, Seniors, Equity and Opportunity, designated by the executive director of said commission;

(10) A representative of the Long-Term Care Advisory Council;

(11) The Commissioners of Social Services, Children and Families, Public Health, Developmental Services, Aging and Disability Services and Mental Health and Addiction Services, or their designees, who shall be ex-officio nonvoting members;

(12) The Comptroller, or the Comptroller's designee, who shall be an ex-officio nonvoting member;

(13) The Secretary of the Office of Policy and Management, or the secretary's designee, who shall be an ex-officio nonvoting member; **[**and**]**

(14) One representative of an administrative services organization which contracts with the Department of Social Services in the administration of the Medicaid program, who shall be a nonvoting member; and

(15) A representative of a labor organization, as defined in section 7-273j, representing health care workers, who shall be appointed by the House and Senate chairpersons of the joint standing committee of the General Assembly having cognizance of matters relating to human

services.

Sec. 450. (NEW) (*Effective July 1, 2026*) (a) As used in this section, (1) "Medicaid rate study" means the study commissioned by the Department of Social Services pursuant to section 1 of public act 23-186; and (2) "five-state rate benchmark" means the average of rates for the same health care services in Maine, Massachusetts, New Jersey, New York and Oregon.

(b) In reviewing Medicaid rates, the Commissioner of Social Services shall include those rates required to be studied pursuant to the Medicaid rate study with no corresponding (1) Medicare rate for the same health care service, or (2) average five-state rate benchmark included in the Medicaid rate study. If any one state within the five-state rate benchmark group has a corresponding rate for the same or a substantially similar health care service, such rate shall be used for comparison in such review. If two or more states in the benchmark group have rates for the same or a substantially similar health care service, an average of the rates shall be used for such comparison.

(c) For purposes of setting Medicaid rates of reimbursement for behavioral health services, the commissioner shall include medication administration services delivered by a licensed home health care agency to individuals with psychiatric diagnoses under a care plan (1) developed and supervised by a licensed behavioral health clinician or prescriber, and (2) overseen by the state's behavioral health administrative services organization.

Sec. 451. Section 19a-521b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) Each licensed chronic and convalescent nursing home, chronic disease hospital associated with a chronic and convalescent nursing home, rest home with nursing supervision and residential care home

shall position beds in a manner that promotes resident care and that provides at least a three-foot clearance at the sides and foot of each bed. Such bed position shall (1) not act as a restraint to the resident, (2) not create a hazardous situation, including, but not limited to, an entrapment possibility, or obstacle to evacuation or being close to or blocking a heat source, and (3) allow for infection control.

(b) On and after July 1, 2026, no licensed chronic and convalescent nursing home or rest home with nursing supervision shall place a newly admitted resident in a room containing more than two beds. A violation of the requirements of this subsection shall constitute a Class B violation under section 19a-527, except no licensed chronic and convalescent nursing home or rest home with nursing supervision shall incur more than one violation per newly admitted resident in one calendar year.

(c) The Commissioner of Social Services may recalculate a licensed chronic and convalescent nursing home or rest home with nursing supervision's Medicaid rate established for the fiscal year ending June 30, 2026, and for the fiscal years thereafter, reflecting any licensed bed reductions associated with the elimination of three and four-bed rooms. Allowable fair rent shall reflect costs for building modifications or other additions incurred for fiscal year 2025, and for the fiscal years thereafter, that are associated with the elimination of three and four-bed rooms.

(d) Notwithstanding the provisions of subsection (b) of this section, the Commissioner of Public Health may waive the requirements of said subsection for any licensed chronic and convalescent nursing home or rest home with nursing supervision that is actively investing in and developing a new Connecticut small-house style skilled nursing facility to meet the requirements of said subsection. Any such waiver shall be limited to one licensed chronic and convalescent nursing home or rest home with nursing supervision for each small-house style skilled nursing facility under development. The commissioner may prescribe documentation requirements for such homes to qualify for such waiver

in the transitional period before the new facility opens. Such waiver shall not extend beyond July 1, 2027.

Sec. 452. (*Effective from passage*) On or before January 15, 2027, The University of Connecticut Health Center shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, human services, public health and higher education. Such report shall include, but need not be limited to: (1) The most recent payer mix for health center services, (2) efforts taken to increase the proportion of Medicaid days, including, but not limited to, increasing the census in the adolescent psychiatric unit and inpatient services provided to incarcerated individuals at the Department of Correction, and (3) increasing access to specialists for Medicaid members. In preparing the report, The University of Connecticut Health Center shall consult with stakeholders, including, but not limited to, medical professionals, community groups and labor unions. For purposes of this section, "Medicaid days" means the total number of in-patient days a Medicaid-eligible patient stays in a hospital.

Sec. 453. (*Effective from passage*) (a) As used in this section:

(1) "Access Health Connecticut" means the Internet web site maintained by the Connecticut Health Insurance Exchange, established pursuant to section 38a-1081 of the general statutes, through which enrollees and prospective enrollees may obtain standardized comparative information on and enroll in qualified health plans under the Affordable Care Act;

(2) "Affordable Care Act" has the same meaning as provided in section 38a-1080 of the general statutes;

(3) "Connecticut Option program" means a plan to lower health care

coverage costs and expand health care coverage;

(4) "Exchange" means the Connecticut Health Insurance Exchange established under section 38a-1081 of the general statutes;

(5) "Health benefit plan" has the same meaning as provided in section 38a-1080 of the general statutes;

(6) "Secretary" means the Secretary of the Office of Policy and Management;

(7) "State innovation waiver" means a waiver of one or more requirements of the Affordable Care Act authorized under Section 1332 of said act; and

(8) "Transitional health care premium assistance" means state-funded premium subsidies to address the impact of federally funded premium subsidies for individuals who purchase coverage through Access Health Connecticut.

(b) The Secretary of the Office of Policy and Management may, within available appropriations, (1) study the feasibility of establishing the Connecticut Option program with the goal of reducing health insurance premiums, and (2) design a plan for providing transitional health care premium assistance that may be funded from the Federal Cuts Response Fund established pursuant to section 1 of special act 26-1 or other potential sources of funding. The study shall include analyses, conclusions and recommendations sufficient for the secretary, in consultation with the Insurance Commissioner, to evaluate and compare design models for the program. The study shall include, but need not be limited to:

(A) A review of the efficacy, impact and reasonableness of proposed program design elements, including, but not limited to: (i) Provider reimbursement methodologies; (ii) value-based or performance-based

contracting arrangements; (iii) enrollee cost-sharing and premium affordability targets; (iv) incentives or rewards for the delivery of high-quality, cost-effective health care; and (v) any state-specific premium assistance programs or risk stabilization programs, including, but not limited to, a state-operated reinsurance program that may maximize available federal funding pursuant to a state innovation waiver and premium support that could facilitate a purchase option leveraging the state's medical assistance program on or off the exchange for individuals ineligible for the medical assistance program;

(B) Identification of any necessary statutory or regulatory changes required for implementation of the Connecticut Option program;

(C) Determination of staffing needs across state agencies to effectively implement the Connecticut Option program;

(D) Analysis of the state insurance market and projected impacts of the Connecticut Option program on persons who receive health care coverage through the exchange; and

(E) Required state action or design elements needed to achieve multiple premium savings targets.

(c) Not later than January 15, 2027, the secretary may file an interim report, in accordance with the provisions of section 11-4a of the general statutes, on the study conducted pursuant to subsection (b) of this section with the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, human services and insurance and real estate. Not later than January 31, 2028, the secretary shall file a final report, in accordance with the provisions of section 11-4a of the general statutes, on the feasibility of the Connecticut Option program, any recommendations on the program, and a summary of stakeholder engagement and feedback collected pursuant to section 456 of this act with the joint standing

committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, human services and insurance and real estate.

(d) If the secretary, in consultation with the Insurance Commissioner, determines a Connecticut Option program is feasible after completion of the study or related reports pursuant to subsections (b) and (c) of this section, the secretary may direct the relevant state agency to develop and implement a state innovation waiver or Medicaid waiver under Section 1115 of the Social Security Act or any applicable waiver from federal law that may be required to maximize federal funding for the program or any component part of a program design to help achieve health care savings. Any approval of a Connecticut Option program shall be subject to legislative review pursuant to section 17b-8 of the general statutes.

(e) Not later than October 1, 2026, the Secretary of the Office of Policy and Management shall design a plan for transitional health care premium assistance to offset premium and cost-sharing increases on Access Health Connecticut in 2027. Such plan shall include a state health care premium subsidy to enable an eligible enrollee to obtain an affordable health plan on Access Health Connecticut until December 31, 2027.

Sec. 454. (NEW) (*Effective from passage*) (a) As used in this section and sections 455 and 456 of this act:

(1) "Affordable Care Act" has the same meaning as provided in section 38a-1080 of the general statutes;

(2) "Access Health Connecticut" means the Internet web site maintained by the Connecticut Health Insurance Exchange, established pursuant to section 38a-1081 of the general statutes, through which enrollees and prospective enrollees may obtain standardized

comparative information on and enroll in qualified health plans under the Affordable Care Act;

(3) "Eligible individual" means a state resident who (A) is under sixty-five years of age, (B) has a household income exceeding one hundred thirty-three per cent of the federal poverty level but not exceeding two hundred per cent of the federal poverty level, (C) is otherwise ineligible for medical assistance programs established pursuant to chapter 319v of the general statutes, and (D) is otherwise eligible to enroll in a qualified health plan, as defined in section 38a-1080 of the general statutes, on Access Health Connecticut; and

(4) "Basic health program" means a health care program authorized under Section 1331 of the Affordable Care Act.

(b) (1) Following the submission of an application for approval, renewal or continuation of the federal waiver approved under Section 1115 of the Social Security Act pursuant to which the Covered Connecticut program is administered under section 19a-754c of the general statutes, the Department of Social Services, in consultation with the Office of Policy and Management, may develop an application to establish a basic health program pursuant to Section 1331 of the Affordable Care Act, as amended from time to time.

(2) In the event the application for approval, renewal or continuation of the federal waiver approved under Section 1115 of the Social Security Act pursuant to which the Covered Connecticut program is administered either: (A) Is denied by the federal government, or (B) has not been approved by the federal government by July 1, 2027, the Department of Social Services shall either (i) seek any necessary approvals from the federal government to establish a basic health program and take all necessary actions to maximize federal funding, or (ii) take necessary steps to continue Covered Connecticut as a state-funded program beginning January 1, 2028.

(c) If the Commissioner of Social Services proceeds with establishment of a basic health program pursuant to subdivision (2) of subsection (b) of this section, the commissioner shall, in accordance with the Affordable Care Act, coordinate the administration of, and provision of benefits under, such basic health program.

(d) If the commissioner determines that the cost of medical assistance provided to eligible individuals in such basic health program will exceed federal subsidies, or if changes in federal law, regulations or the administration of federal law or regulations affects funding, eligibility for or administration of the program, the commissioner, in consultation with the Office of Policy and Management, may develop a plan to respond to such changes. To the extent that federal funds received under the Affordable Care Act for such basic health program exceed the cost of medical assistance that would otherwise be provided to eligible individuals, the commissioner shall use such funds to reduce the premiums and cost-sharing of, or provide additional benefits for, eligible individuals in accordance with 42 USC 18051, as amended from time to time.

(e) The Commissioner of Social Services shall forward any application for federal approval of or changes to such basic health program to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and human services not later than thirty days before seeking federal approval for the program.

(f) Not later than January 1, 2027, and every six months thereafter through January 1, 2029, the commissioner shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, human services and insurance and real estate. The report shall contain a narrative description of the activities and planning to

sustain the Covered Connecticut program as an affordable coverage option for qualified individuals, including, but not limited to, a status report and contingency planning for a renewal of the Covered Connecticut program Medicaid waiver authority under Section 1115 of the Social Security Act, and, if necessary, efforts to sustain the program through the basic health program authority or a state-funded alternative.

Sec. 455. (*Effective from the date of approval of a state basic health program by the Centers for Medicare and Medicaid Services*) There is established an account to be known as the "basic health program account", which shall be a separate, nonlapsing account. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Department of Social Services solely for the purposes of operating a basic health program in accordance with the Affordable Care Act.

Sec. 456. (*Effective July 1, 2026*) In developing a Connecticut Option program or basic health program, the Secretary of the Office of Policy and Management shall hold, to the extent possible, a series of stakeholder engagement meetings with potential stakeholders, including, but not limited to: (1) Representatives of hospitals, health centers, other health care providers, health insurers, HUSKY Health plan enrollees and Access Health Connecticut enrollees, (2) members of the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, human services, public health and insurance and real estate, and (3) other persons with health equity and health coverage policy expertise, including representatives from the Commission on Racial Equity in Public Health.

Sec. 457. (NEW) (*Effective from passage*) (a) As used in this section and section 458 of this act, "work and community engagement requirements" means federal requirements for certain Medicaid and supplemental

nutrition assistance program beneficiaries to work, participate in a work-related program or community service or enroll in an education program pursuant to the federal Fiscal Responsibility Act of 2023, P.L. 118-5 or Section 71119 of P.L. 119-21. There is established a safety net mitigation working group that shall advise on, monitor and coordinate the state's response to significant changes in federal law or policy that impact public health, social services or other safety net programs.

(b) The working group shall consist of the following members:

(1) The Secretary of the Office of Policy and Management, or the secretary's designee;

(2) The Commissioners of Social Services, Revenue Services, Mental Health and Addiction Services, Developmental Services and Public Health, the Insurance Commissioner and the Labor Commissioner, or their designees;

(3) The chairpersons of the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, human services, housing and insurance and real estate, or their designees, who shall jointly choose the chairpersons of the working group; and

(4) The chief executive officer of Access Health Connecticut.

(c) The working group shall:

(1) Convene not later than ninety days after the effective date of this section;

(2) Review any significant changes in federal law or policy that impact public health, social services or other safety net programs;

(3) Consider regulatory, administrative or legislative measures to mitigate adverse programmatic, procurement or service outcomes and

recommend such measures to the Office of Policy and Management and the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, human services, housing and insurance and real estate; and

(4) Solicit input from stakeholders, including municipal governments and community-based providers, and independent experts such as academic researchers and policy organizations, as necessary.

(d) The administrative staff of the joint standing committee of the General Assembly having cognizance of matters relating to human services shall provide administrative support to the working group.

(e) Not later than February 1, 2027, and annually thereafter through February 1, 2029, the working group shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, human services, housing and insurance and real estate. Such report shall include:

(1) The estimated impact of changes to federal policies, guidance or programs on access to and participation in the Medicaid and supplemental nutrition assistance programs in the state resulting from recent or upcoming federal action or inaction;

(2) Implementation of federal law concerning work and community engagement requirements for Medicaid and supplemental nutrition assistance beneficiaries under P.L. 119-21;

(3) The estimated number of beneficiaries who have lost and are expected to lose eligibility for the supplemental nutrition assistance and Medicaid programs since implementation of such requirements under P.L. 119-21; and

(4) A summary of actions taken to improve user experiences and streamline communication with Medicaid and supplemental nutrition assistance program participants, including, but not limited to: (A) Efforts to engage recipients of such benefits in relevant decision-making processes; (B) a long-term plan for ongoing dissemination of information and support for Medicaid and supplemental nutrition assistance recipients and providers to minimize disenrollment of eligible individuals; and (C) statistics concerning the Department of Social Services' customer service telephone call center and actions taken by the department to improve such statistics.

(f) The working group shall terminate on the date that it submits its final report or February 1, 2029, whichever is later.

Sec. 458. (*Effective from passage*) (a) To the extent deemed necessary to verify exemptions from work and community engagement requirements for Medicaid as permitted under federal law, the Commissioner of Social Services shall identify parameters for an effective assessment of "medical frailty" for any given Medicaid participant or applicant. In identifying such parameters, the commissioner may take into consideration existing definitions in state or federal statutes and regulations relevant to medical frailty, definitions of medical frailty in other states, and medical codes used to identify pertinent diagnoses.

(b) The commissioner shall maximize the use of such information and medical codes to effectuate ex parte eligibility determinations to the extent permitted by federal law. The commissioner shall provide regular updates on the development of any such parameters to the Council on Medical Assistance Program Oversight established pursuant to section 17b-28 of the general statutes.

Sec. 459. Subsection (a) of section 17b-8 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1,*

2026):

(a) The Commissioner of Social Services shall submit an application for a federal waiver or renewal of such waiver of any assistance program requirements, except such application pertaining to routine operational issues, and any proposed amendment to the Medicaid state plan to provide medical assistance through a Medicaid managed care organization pursuant to Section 1932 of the Social Security Act or to make a change in program requirements that would have required a waiver were it not for the passage of the Patient Protection and Affordable Care Act, P.L. 111-148, and the Health Care and Education Reconciliation Act of 2010, P.L. 111-152 to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies, and, for the waiver application required under section 17b-312, the joint standing committee of the General Assembly having cognizance of matters relating to insurance, prior to the submission of such application or proposed amendment to the federal government. Not later than thirty days after the date of their receipt of such application or proposed amendment, the joint standing committees shall: (1) Hold a public hearing on the waiver application, or (2) in the case of a proposed amendment to the Medicaid state plan, notify the Commissioner of Social Services whether or not said joint standing committees intend to hold a public hearing. Any notice to the commissioner indicating that the joint standing committees intend to hold a public hearing on a proposed amendment to the Medicaid state plan shall state the date on which the joint standing committees intend to hold such public hearing, which shall not be later than sixty days after the joint standing committees' receipt of the proposed amendment. At the conclusion of a public hearing held in accordance with the provisions of this section, the joint standing committees shall advise the commissioner of their approval, denial or modifications, if any, of the commissioner's waiver application or proposed amendment. If the joint standing committees

advise the commissioner of their denial of the commissioner's waiver application or proposed amendment, the commissioner shall not submit the application for a federal waiver or proposed amendment to the federal government. If such committees do not concur, the committee chairpersons shall appoint a committee of conference which shall be composed of three members from each joint standing committee. At least one member appointed from each joint standing committee shall be a member of the minority party. The report of the committee of conference shall be made to each joint standing committee, which shall vote to accept or reject the report. The report of the committee of conference may not be amended. If a joint standing committee rejects the report of the committee of conference, that joint standing committee shall notify the commissioner of the rejection and the commissioner's waiver application or proposed amendment shall be deemed approved. If the joint standing committees accept the report, the committee having cognizance of matters relating to appropriations and the budgets of state agencies shall advise the commissioner of their approval, denial or modifications, if any, of the commissioner's waiver application or proposed amendment. If the joint standing committees do not so advise the commissioner during the thirty-day period, the waiver application or proposed amendment shall be deemed approved. Any application for a federal waiver, waiver renewal or proposed amendment submitted to the federal government by the commissioner, pursuant to this section, shall be in accordance with the approval or modifications, if any, of the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies, and, for the waiver application required under section 17b-312, the joint standing committee of the General Assembly having cognizance of matters relating to insurance. For purposes of this section, "medical assistance" shall not include a basic health program established pursuant to 42 USC 18051.

Sec. 460. (NEW) (*Effective January 1, 2027*) As used in this section and

section 461 of this act:

(1) "Biological product" has the same meaning as provided in 42 USC 262;

(2) "Biosimilar" means any biological product that is licensed under 42 USC 262(k);

(3) "Brand-name drug" means a drug that is produced or distributed in accordance with an original new drug application approved under 21 USC 355, as amended from time to time, but does not include an authorized generic drug as defined in 42 CFR 447.502, as amended from time to time;

(4) "Formulary" means a list of prescription drugs that are covered by a specific health insurance plan;

(5) "Generic drug" means (A) a prescription drug product that is marketed or distributed in accordance with an abbreviated new drug application approved under 21 USC 355, as amended from time to time, (B) an authorized generic drug as defined in 42 CFR 447.502, as amended from time to time, or (C) a drug that entered the market before calendar year 1962 that was not originally marketed under a new prescription drug product application;

(6) "Reference product" means (A) with respect to a generic drug, the listed brand-name drug against which the generic drug is compared, in accordance with 21 USC 355(j)(2)(A)(i); and (B) with respect to a biosimilar, the reference biological product as defined in 42 USC 1395w-3a(c)(6)(I);

(7) "Net drug cost" means the cost to a covered person under the health benefit plan of (A) a brand-name or generic prescription drug, or (B) a biological product or biosimilar, net of all applicable discounts and rebates;

(8) "Health benefit plan" has the same meaning as provided in section 38a-1080 of the general statutes; and

(9) "Health carrier" has the same meaning as provided in section 38a-591a of the general statutes.

Sec. 461. (NEW) (*Effective January 1, 2027*) (a) If one or more generic drugs (1) are approved by the United States Food and Drug Administration, (2) are marketed pursuant to such approval, and (3) have a net drug cost that is less than the net drug cost of the reference product, a health benefit plan issued or renewed on or after January 1, 2027, that provides coverage for a reference product shall make available on such health benefit plan's formulary, on a tier with lower cost sharing, including actual out-of-pocket costs, relative to the reference product, at least one generic drug meeting these criteria.

(b) If one or more biosimilars (1) are licensed by the United States Food and Drug Administration, (2) are marketed pursuant to such licensure, and (3) have a net drug cost that is less than the net drug cost of the reference product, a health benefit plan issued or renewed on or after January 1, 2027, that provides coverage for the biosimilar's reference product, shall make available on such health benefit plan's formulary, on a tier with lower cost sharing, including actual out-of-pocket costs, relative to the reference product, at least one biosimilar meeting these criteria.

(c) Subsections (a) and (b) of this section shall apply as long as the net drug cost of the generic drug or biosimilar is lower than the net drug cost of the reference product.

(d) A health benefit plan may not restrict the pharmacy network through which covered persons may obtain the generic drug or biosimilar, unless the same restriction applies to the reference product.

(e) If a generic drug or biosimilar has a lower net drug cost than its

reference product, and neither the generic drug or biosimilar nor the reference product is included on the health benefit plan's formulary, the health benefit plan issued or renewed on or after January 1, 2027, shall not impose a more restrictive formulary exception process for the generic drug or biosimilar than for the reference product.

(f) Nothing in this section shall:

(1) Require a health benefit plan to provide coverage for a reference product after a generic drug or biosimilar is approved or licensed, as applicable and marketed;

(2) Require a health benefit plan to provide coverage for a brand-name drug, biological product, generic drug or biosimilar if there is a determination by the pharmacy and therapeutics committee that develops the plan's formulary that such drug or biological product is no longer medically appropriate or cost effective;

(3) Interfere with the ability of a pharmacy or pharmacist to comply with the provisions of chapter 400j of the general statutes; or

(4) Prevent a health benefit plan from including on its formulary more than one generic drug or biosimilar that has a net drug cost that is lower than that of its reference product.

(g) The Insurance Commissioner may adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to implement the provisions of this section.

(h) The requirements of this section:

(1) Apply only with respect to coverage of and cost sharing for generic drugs, biosimilars and brand-name drugs when dispensed by pharmacies as outpatient prescription drugs and do not apply to generic drugs, biosimilars or brand-name drugs when provided by a hospital,

physician or other provider of health care or palliative services, other than a pharmacy, incident to the services of such provider and paid for by or on behalf of the relevant health benefit plan as part of the payment for such services under the medical benefit of the health benefit plan;

(2) Do not apply to the extent that they would require coverage by a health benefit plan or cost sharing for a generic drug or biosimilar that is not permitted under any applicable federal law or any law of this state; and

(3) Do not require that a health benefit plan include on its formulary a generic drug or biosimilar if the health carrier has not included the reference product for that generic drug or biosimilar on its formulary due to a determination by the pharmacy and therapeutics committee for the health benefit plan that the brand-name drug should not be covered due to clinical concerns about the safety or efficacy of the brand-name drug based on the strength of scientific evidence.

Sec. 462. Section 19a-754c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For the purposes of this section:

(1) "Affordable Care Act" has the same meaning as provided in section 38a-1080;

(2) "Covered Connecticut program" means the program established under subsection (b) of this section;

(3) "Exchange" has the same meaning as provided in section 38a-1080;

(4) "Health carrier" has the same meaning as provided in section 38a-1080;

(5) "Individual market" has the same meaning as provided in 42 USC 18024(a), as amended from time to time; and

[(6) "Office of Health Strategy" means the Office of Health Strategy established under section 19a-754a; and**]**

[(7)**]** (6) "Silver level" has the same meaning as provided in 42 USC 18022(d), as amended from time to time.

(b) There is established within the Department of Social Services the Covered Connecticut program for the purpose of reducing the state's uninsured rate. The Commissioner of Social Services shall administer said program in consultation with the **[**Office of Health Strategy,**]** Insurance Commissioner and exchange, and, as part of said program, the Department of Social Services shall:

(1) Provide premium and cost-sharing subsidies that are sufficient to ensure fully subsidized premium coverage:

(A) On and after July 1, 2021, for parents and needy caretaker relatives, and their tax dependents not older than twenty-six years of age, who (i) are eligible for premium and cost-sharing subsidies for a qualified health plan, (ii) are ineligible for Medicaid because their income exceeds the Medicaid income limits under chapter 319v, (iii) have household income up to one hundred seventy-five per cent of the federal poverty level, (iv) are receiving coverage under a qualified health plan offered through the exchange in the individual market at a silver level of coverage, and (v) are utilizing the full amount of applicable premium subsidies for such plan;

(B) On and after July 1, 2021, for the following additional family members of parents and caretaker relatives receiving coverage under such qualified health plan, provided the requirements of subparagraph (A) of subdivision (1) of this subsection are met: (i) A child over twenty-six years of age who is permanently and totally disabled, as defined by the Internal Revenue Service pursuant to 26 USC 152, or (ii) a child who is over the age of twenty-six and is incapable of self-sustaining

employment by reason of mental or physical handicap and is chiefly dependent upon the parent or caretaker relative for support and maintenance, as described in sections 38a-489 and 38a-512a, or (iii) a child or stepchild receiving coverage under such qualified health plan as described in sections 38a-497 and 38a-512b;

(C) On and after July 1, 2022, for all parents, needy caretaker relatives and low-income adults who (i) are at least nineteen but not more than sixty-four years of age, (ii) are eligible for premium and cost-sharing subsidies for a qualified health plan, (iii) are ineligible for Medicaid because their income exceeds the Medicaid income limits under chapter 319v, (iv) have household income up to one hundred seventy-five per cent of the federal poverty level, (v) are receiving coverage under a qualified health plan offered through the exchange in the individual market at a silver level of coverage, and (vi) are utilizing the full amount of applicable premium subsidies for such plan; and

(D) On and after July 1, 2022, for the following additional family members of parents, caretaker relatives, and adults receiving coverage under such qualified health plan, provided the requirements of subparagraph (C) of subdivision (1) of this subsection are met: (i) A child over twenty-six years of age who is permanently and totally disabled, as defined by the Internal Revenue Service pursuant to 26 USC 152, or (ii) a child who is over the age of twenty-six and is incapable of self-sustaining employment by reason of mental or physical handicap and is chiefly dependent upon the parent or caretaker relative for support and maintenance, as described in sections 38a-489 and 38a-512a, or (iii) a child or stepchild, as described in sections 38a-497 and 38a-512b.

[(2) Not earlier than July 1, 2022, provide dental and nonemergency medical transportation services, as provided under chapter 319v, to all eligible individuals described in subdivision (1) of this subsection;**]**

[(3)**]** (2) Establish procedures to, on a quarterly basis, pay in

reimbursement to each health carrier offering the qualified health plan described in subparagraph (A) or (B) of subdivision (1) of this subsection, as applicable, the premium and cost-sharing subsidies required under subdivision (1) of this subsection to ensure fully subsidized coverage; and

[(4)**]** (3) Consult with the **[**Office of Health Strategy and**]** Insurance Commissioner for the purposes set forth in section 17b-312.

(c) On or after January 1, 2027, the Department of Social Services may, as part of the Covered Connecticut program, provide dental and nonemergency medical transportation services, as provided under chapter 319v, to all eligible individuals described in subsection (b) of this section.

[(c)**]** (d) (1) The **[**Office of Health Strategy**]** Department of Social Services may, subject to the approval required under subdivision (3) of this subsection, seek a waiver pursuant to Section 1332 of the Affordable Care Act, as amended from time to time, to advance the purpose of the Covered Connecticut program. The **[**Office of Health Strategy**]** department shall implement such waiver if the federal government issues such waiver.

(2) The **[**Office of Health Strategy**]** Department of Social Services shall submit a report, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations, human services and insurance containing any proposed waiver described in subdivision (1) of this subsection before seeking such waiver from the federal government.

(3) Not later than thirty days after the **[**Office of Health Strategy**]** Department of Social Services submits a report under subdivision (2) of this subsection, the joint standing committees of the General Assembly having cognizance of matters relating to appropriations, human

services and insurance shall convene a joint public hearing on the proposed waiver contained in the report, **[**submitted pursuant to subdivision (2) of this subsection,**]** separately vote to approve or reject such proposed waiver and advise the **[**Office of Health Strategy**]** department of their approval or rejection of such proposed waiver. If any committee takes no action on such proposed waiver within the thirty-day period, the proposed waiver shall be deemed rejected.

[(d)**]** (e) The benefits and subsidies provided for individuals as part of the Covered Connecticut program shall not be considered income for such individuals for the purposes of chapter 229.

[(e) Not later than January 1, 2022, every six months thereafter through January 1, 2024, and annually after January 1, 2024, the**]** (f) The Commissioner of Social Services shall annually submit a report, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations, human services and insurance. Such report shall contain a description of the operations and finances of, and progress made by, the Covered Connecticut program for the immediately preceding reporting period.

[(f) Notwithstanding any provision of this section**]** (g) On or before January 1, 2028, subject to federal approval, the Covered Connecticut program shall only include in-network health care providers and in-network services, unless the health carrier's network is deemed by the Insurance Commissioner to be inadequate. Benefits described in subsection (b) of this section and cost-sharing available to all eligible individuals pursuant to subdivision (1) of subsection (b) of this section shall only apply if such eligible individuals use in-network health care providers or in-network facilities.

(h) Notwithstanding any provision of this section, the Commissioner of Social Services may make program design changes as necessary to

meet requirements for approval, renewal or continuation of the federal waiver approved under Section 1115 of the Social Security Act pursuant to which the Covered Connecticut program is administered. If necessary federal approvals are not obtained, the commissioner may seek federal approval for a basic health program in accordance with section 454 of this act.

Sec. 463. (*Effective July 1, 2026*) The sum of $250,000 of the amount appropriated in section 1 of this act to the Department of Housing, for Rental Assistance Program, for the fiscal year ending June 30, 2027, shall be made available for inspections of housing units for compliance with state and local health, housing, building and safety codes.

Sec. 464. (*Effective from passage*) (a) The sum of $100,000,006 is appropriated to the Office of Policy and Management, for Various Municipal Grants, for the fiscal year ending June 30, 2026, and shall be made available as a one-time payment in said fiscal year and expended as follows:

Town	Grant for Fiscal Year 2026
Andover	17,751
Ansonia	261,746
Ashford	24,858
Avon	60,304
Barkhamsted	20,054
Beacon Falls	32,957
Berlin	75,947
Bethany	21,913
Bethel	95,477
Bethlehem	14,158
Bloomfield	264,102
Bolton	29,551
Bozrah	12,185
Branford	70,511

Bridgeport	10,373,486
Bridgewater	1,831
Bristol	991,338
Brookfield	46,102
Brooklyn	106,086
Burlington	44,057
Canaan	29,770
Canterbury	36,403
Canton	29,695
Chaplin	155,805
Cheshire	715,676
Chester	21,671
Clinton	51,998
Colchester	116,408
Colebrook	6,257
Columbia	22,616
Cornwall	7,988
Coventry	61,253
Cromwell	66,024
Danbury	1,592,148
Darien	28,726
Deep River	18,488
Derby	426,691
Durham	25,339
East Granby	30,354
East Haddam	35,476
East Hampton	104,793
East Hartford	1,390,427
East Haven	342,732
East Lyme	536,657
East Windsor	77,422
Eastford	14,635
Easton	20,603
Ellington	64,632
Enfield	575,188
Essex	15,263
Fairfield	818,108
Farmington	1,669,896
Franklin	15,866

Glastonbury	76,932
Goshen	7,837
Granby	40,940
Greenwich	161,948
Griswold	171,970
Groton	2,239,466
Guilford	52,719
Haddam	42,348
Hamden	1,572,111
Hampton	14,776
Hartford	13,107,801
Hartland	27,482
Harwinton	25,174
Hebron	30,258
Kent	15,707
Killingly	333,903
Killingworth	30,712
Lebanon	41,770
Ledyard	1,703,834
Lisbon	42,901
Litchfield	35,537
Lyme	7,909
Madison	205,858
Manchester	1,001,403
Mansfield	2,613,732
Marlborough	30,635
Meriden	1,518,429
Middlebury	33,414
Middlefield	16,332
Middletown	2,348,250
Milford	667,970
Monroe	51,404
Montville	2,090,413
Morris	7,647
Naugatuck	418,778
New Britain	4,671,689
New Canaan	14,857
New Fairfield	42,694
New Hartford	22,147

New Haven	12,419,995
New London	2,912,568
New Milford	188,992
Newington	453,379
Newtown	216,181
Norfolk	27,508
North Branford	49,136
North Canaan	36,047
North Haven	265,182
North Stonington	1,336,723
Norwalk	1,432,992
Norwich	3,126,949
Old Lyme	17,974
Old Saybrook	29,797
Orange	86,627
Oxford	103,082
Plainfield	283,649
Plainville	121,099
Plymouth	133,545
Pomfret	32,424
Portland	52,900
Preston	1,807,504
Prospect	47,719
Putnam	164,942
Redding	48,331
Ridgefield	44,831
Rocky Hill	471,899
Roxbury	2,027
Salem	35,835
Salisbury	5,599
Scotland	19,307
Seymour	114,457
Sharon	10,902
Shelton	135,076
Sherman	3,450
Simsbury	76,945
Somers	425,850
South Windsor	77,457
Southbury	115,615

Southington	181,419
Sprague	45,613
Stafford	161,510
Stamford	1,550,880
Sterling	56,351
Stonington	40,066
Stratford	406,351
Suffield	516,210
Thomaston	42,738
Thompson	71,358
Tolland	52,389
Torrington	743,529
Trumbull	125,054
Union	37,619
Vernon	325,941
Voluntown	172,490
Wallingford	270,800
Warren	1,732
Washington	8,299
Waterbury	5,114,077
Waterford	171,858
Watertown	278,092
West Hartford	392,543
West Haven	1,336,369
Westbrook	46,507
Weston	6,109
Westport	188,683
Wethersfield	366,924
Willington	55,458
Wilton	45,578
Winchester	136,056
Windham	1,819,472
Windsor	154,121
Windsor Locks	745,276
Wolcott	95,678
Woodbridge	13,949
Woodbury	26,755
Woodstock	32,548

(b) The funds appropriated in subsection (a) of this section to the Office of Policy and Management, for Various Municipal Grants, for the fiscal year ending June 30, 2026, shall not lapse and shall be available to the Office of Policy and Management for the same purpose for the fiscal year ending June 30, 2027.

(c) Not later than January 1, 2027, each municipality shall report to the Secretary of the Office of Policy and Management concerning the expenditure of the grant identified in subsection (a) of this section.

Sec. 465. Section 25 of public act 25-168 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

[(a)**]** Notwithstanding any provision of the general statutes, for the fiscal years ending June 30, 2026, and June 30, 2027, the total grants paid to municipalities from the moneys available in the Mashantucket Pequot and Mohegan Fund established pursuant to section 3-55i of the general statutes shall be as follows:

Grantee	Grant Amount For Fiscal Year 2026	Grant Amount For Fiscal Year 2027
Andover	6,680	6,680
Ansonia	113,045	113,045
Ashford	12,010	12,010
Avon	-	-
Barkhamsted	6,728	6,728
Beacon Falls	12,467	12,467
Berlin	-	-
Bethany	881	881
Bethel	-	-
Bethlehem	4,125	4,125
Bloomfield	94,314	94,314
Bolton	3,244	3,244
Bozrah	9,143	9,143
Branford	-	-
Bridgeport	5,606,925	5,606,925

Bridgewater	3,734	3,734
Bristol	400,282	400,282
Brookfield	-	-
Brooklyn	191,703	191,703
Burlington	-	-
Canaan	6,202	6,202
Canterbury	15,208	15,208
Canton	-	-
Chaplin	73,052	73,052
Cheshire	1,962,440	1,962,440
Chester	3,278	3,278
Clinton	-	-
Colchester	23,167	23,167
Colebrook	6,045	6,045
Columbia	4,857	4,857
Cornwall	4,434	4,434
Coventry	13,336	13,336
Cromwell	-	-
Danbury	678,398	678,398
Darien	-	-
Deep River	4,490	4,490
Derby	207,304	207,304
Durham	1,003	1,003
Eastford	7,529	7,529
East Granby	987	987
East Haddam	3,042	3,042
East Hampton	6,742	6,742
East Hartford	156,898	156,898
East Haven	82,006	82,006
East Lyme	270,204	270,204
Easton	-	-
East Windsor	1,015,432	1,015,432
Ellington	4,081	4,081
Enfield	1,224,751	1,224,751
Essex	-	-
Fairfield	114,941	114,941
Farmington	-	-
Franklin	9,738	9,738
Glastonbury	-	-

Goshen	2,687	2,687
Granby	-	-
Greenwich	-	-
Griswold	55,478	55,478
Groton	1,232,069	1,232,069
Guilford	-	-
Haddam	908	908
Hamden	725,946	725,946
Hampton	8,881	8,881
Hartford	6,136,523	6,136,523
Hartland	6,593	6,593
Harwinton	3,676	3,676
Hebron	3,350	3,350
Kent	1,298	1,298
Killingly	94,184	94,184
Killingworth	-	-
Lebanon	13,139	13,139
Ledyard	1,391,000	**[**1,391,000**]** 2,191,000
Lisbon	11,287	11,287
Litchfield	-	-
Lyme	1,997	1,997
Madison	-	-
Manchester	412,450	412,450
Mansfield	179,151	179,151
Marlborough	1,807	1,807
Meriden	698,609	698,609
Middlebury	-	-
Middlefield	5,616	5,616
Middletown	1,060,747	1,060,747
Milford	236,690	236,690
Monroe	-	-
Montville	1,446,162	**[**1,446,162**]** 2,246,162
Morris	5,059	5,059
Naugatuck	147,899	147,899
New Britain	1,980,822	1,980,822
New Canaan	-	-
New Fairfield	-	-
New Hartford	822	822
New Haven	5,503,352	5,503,352

Newington	164,924	164,924
New London	1,667,837	1,667,837
New Milford	2,049	2,049
Newtown	829,098	829,098
Norfolk	8,899	8,899
North Branford	2,647	2,647
North Canaan	12,383	12,383
North Haven	86,789	86,789
North Stonington	880,690	880,690
Norwalk	577,059	577,059
Norwich	2,360,229	2,360,229
Old Lyme	-	-
Old Saybrook	-	-
Orange	6,408	6,408
Oxford	-	-
Plainfield	82,099	82,099
Plainville	27,635	27,635
Plymouth	33,955	33,955
Pomfret	9,172	9,172
Portland	2,902	2,902
Preston	1,165,290	1,165,290
Prospect	1,085	1,085
Putnam	75,902	75,902
Redding	-	-
Ridgefield	-	-
Rocky Hill	213,545	213,545
Roxbury	2,188	2,188
Salem	7,370	7,370
Salisbury	-	-
Scotland	11,620	11,620
Seymour	24,111	24,111
Sharon	2,001	2,001
Shelton	-	-
Sherman	109	109
Simsbury	-	-
Somers	1,564,515	1,564,515
Southbury	-	-
Southington	7,160	7,160
South Windsor	-	-

Sprague	17,479	17,479
Stafford	60,839	60,839
Stamford	625,635	625,635
Sterling	24,317	24,317
Stonington	30,000	30,000
Stratford	30,567	30,567
Suffield	2,760,598	2,760,598
Thomaston	16,872	16,872
Thompson	38,307	38,307
Tolland	-	-
Torrington	196,642	196,642
Trumbull	-	-
Union	19,013	19,013
Vernon	79,820	79,820
Voluntown	80,641	80,641
Wallingford	33,058	33,058
Warren	4,369	4,369
Washington	-	-
Waterbury	2,637,435	2,637,435
Waterford	-	-
Watertown	11,631	11,631
Westbrook	-	-
West Hartford	27,820	27,820
West Haven	807,097	807,097
Weston	-	-
Westport	-	-
Wethersfield	137,556	137,556
Willington	17,399	17,399
Wilton	-	-
Winchester	49,474	49,474
Windham	793,155	793,155
Windsor	-	-
Windsor Locks	387,713	387,713
Wolcott	16,939	16,939
Woodbridge	-	-
Woodbury	-	-
Woodstock	5,694	5,694
Golden Hill Paugussett	20,000	20,000

Paucatuck Eastern Pequot	20,000	20,000
Schaghticoke	20,000	20,000
TOTALS	52,532,789	**[**52,532,789**]** 54,132,789

Sec. 466. (*Effective July 1, 2026*) The amounts appropriated in section 1 of this act to the Judicial Department, for Youth Services Prevention, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year for the following grants:

Grantee	Grant
100 Black Men of Stamford	$40,000
333 Valley Street Center, An Intergenerational Organization	$300,000
6-Love, Inc.	$35,000
Abe Prior-Keep 5 Alive, Inc.	$40,000
ACCESS Educational Services, Inc.	$75,000
ActUp Theater, Inc.	$75,000
Alex Breanne Corporation	$15,000
Alliance for the Mystic River Watershed	$7,500
ALMO Sports	$25,000
Aluminum Falcon Robotics, Inc.	$5,000
Amplify, Inc.	$25,000
Angel of Edgewood, Inc.	$10,000
Arte, Inc.	$35,000
Artists Collective, Inc.	$10,000
Asian Pacific American Coalition of CT	$50,000
AskSammy Resources	$15,000
Asociacion de Dominicanos de New London	$40,000
Athletes R Us, Inc.	$50,000
BAGS Foundation, Inc.	$5,000
Ball Heads, Inc.	$20,000
Bangladesh Society of Connecticut	$50,000
Bangladeshi American Association of Connecticut (BAAC)	$25,000
Bangladeshi American Friends & Family of CT	$25,000
Barbara's House, Inc.	$50,000

Be Ye Ready, Inc.	$18,125
Beat the Street Community Center, Inc.	$20,000
Bloomfield Jr Warhawks, Inc.	$18,125
Boriken United of Eastern Connecticut, Inc.	$10,000
Boys & Girls Club of Greater Waterbury	$80,000
Boys & Girls Club of Meriden	$10,000
Boys & Girls Club of New Britain	$80,000
Boys and Girls Club of Hartford	$30,000
Boys and Girls Club of Stamford, Inc.	$20,000
Bregamos Theater	$25,000
Bridgeport Caribe Youth Leaders	$185,000
Building Leaders and Community Strategies, Inc.	$25,000
Building One Community-The Center for Immigrant Opportunity	$35,000
Business Industry Foundation of Middlesex County, Inc.	$20,000
C.O.R.N.E.R.S Community	$10,000
Charter Oak Boxing Academy	$30,000
Charter Oak Temple Restoration Association, Inc.	$50,000
Christ Christian Church, Inc.	$12,000
Christian Community Action, Inc.	$200,000
City Angel Baseball Academy	$25,000
City of New Haven Youth and Rec.	$300,000
CO Sports Academy, Inc.	$5,000
Community for Generations	$25,000
Community Speaks Out, Inc.	$7,500
Connect Us, Inc.	$25,000
Connecticut Institute for Community Development-Puerto Rican Parade, Inc.	$10,000
Connecticut Scholars, Inc.	$10,000
Cook and Grow LLC	$20,000
Creative Youth Productions, Inc.	$10,000
CT Rebound	$10,000
CT Riptide	$5,000
CT Violence Intervention Program, Inc.	$200,000
Cultural Alliance of Western Connecticut	$25,000
Danbury Grassroots Academy	$25,000
Danbury Law Enforcement Cadets, Inc.	$25,000

Danbury Youth Soccer Club, Inc.	$10,000
Denison Pequotsepous Nature Center	$5,000
DHW Athletics	$5,000
DNA Entrepreneurial Pipeline Initiative, Urban League of Southern Connecticut	$75,000
Dominican Community Center, Inc.	$15,000
Dr. Martin Luther King Scholarship Fund	$30,000
DT Cares	$18,125
East End NRZ Market & Cafe	$35,000
Ebony Horsewomen, Inc.	$12,500
Edgewood PTA Child Care Program, Inc.	$35,000
Edmunds Cofield Charter School	$25,000
EJ's HEART, Inc.	$80,000
Family Centers, Inc.	$25,000
Ferguson Library	$30,000
Fixing Fathers One Dad at a Time, Inc.	$75,000
FRESH New London	$10,000
Friends of Bethel Parks and Recreation, Inc.	$75,000
Friends of MPMRC, Inc.	$15,000
Friends of the Danbury Museum & Historical Society	$50,000
From Quicksand Unto Solid Ground	$10,000
Girls, Inc.	$20,000
God Provides Ministries International, Inc.	$10,000
Good Shepherd Ministries	$8,000
Greenwich Alliance for Education	$25,000
Groton Little League	$15,000
Groton Mystic Youth Football League	$10,000
Haitian Community Center, Inc.	$10,000
Hartford Communities That Care, Inc.	$30,000
Hartford Health Initiative	$15,000
Hartford Hurricanes	$18,125
Hartford Lions Soccer Academy, Inc.	$30,625
Hartford Northend Little League	$5,000
Hartford Stage Company, Inc.	$50,000
Heavy Hitters USA, Inc.	$10,000
Higher Edge, Inc.	$10,000
Hip Hop 1001	$10,000

Hispanic Alliance of Southeastern Connecticut, Inc.	$10,000
Hispanic Coalition of Greater Waterbury, Inc.	$20,000
Historically Black College Black Alumni, Inc.	$3,000
Hoops 4 Life, Inc.	$5,000
HOOPWAVE Sports Mentoring	$10,000
Human Resources Agency of New Britain, Inc.	$30,000
Integrated Day Charter School Foundation	$28,000
INTEMPO Organization, Inc.	$30,000
Interdistrict Committee for Project Oceanology (aka 'Project Oceanology')	$25,000
Journey 2 Justice, Inc., Law Pipeline Program	$25,000
Kind Works, Inc.	$75,000
L.I.F.T. Foundation	$50,000
LEAF	$20,000
Ledyard Little League	$8,000
Ledyard Soccer Club	$8,000
Ledyard Youth Football	$11,000
Left Hearts, Inc.	$15,000
Life Center of CT, Inc.	$15,000
Manchester Adult & Continuing Education	$15,000
McGivney Community Center, Inc.	$10,000
Mental Health CT	$60,000
Meriden New Britain Berlin YMCA	$25,000
Meriden Police Cadets	$15,000
Meriden-Wallingford Chrysalis	$20,000
Mi Casa (Hispanic Health Council)	$25,000
Mill River Collaboration, Inc.	$25,000
Montville Education Foundation, Inc.	$20,000
Montville Lacrosse, LLC	$6,000
Montville Little League, Inc.	$8,000
Montville Youth Football League, Inc.	$11,000
Montville Youth Soccer Club, Inc.	$8,000
Motivate Kids	$50,000
Music Haven	$100,000
My Architexture Workshops, Inc.	$25,000
Mystic Community Bikes Inc.	$5,000
Mystic Seaport Museum, Inc.	$20,000
New Britain Police Athletic League	$25,000

New Britain ROOTS, Inc.	$45,000
New England Science & Sailing Foundation	$7,500
New Haven Ecology Project	$200,000
New Life II Teaching You Another Way	$25,000
New London Babe Ruth League, Inc.	$10,000
Night Flight Association, Inc.	$8,000
North End Little League	$15,000
Northern Middlesex YMCA	$120,000
Norwalk Jr. Football, Inc.	$10,000
Norwich Bully Busters	$3,000
Norwich Free Academy	$15,000
Norwich Public Schools Education Foundation, Inc.	$18,000
Norwich Youth Football League	$20,000
Notre Dame West Haven	$9,000
Ocean Community YMCA	$15,000
Oddfellows Playhouse, Inc.	$40,000
OIC New Britain, Inc.	$35,000
Organized Parents Make A Difference, Inc.	$50,000
Parent Leadership Training Institute (PLTI) and Children Leadership Training Institute (CLTI)	$75,000
Park Central, Inc.	$10,000
Park Street Public Library	$25,000
Pathways to Employment and Housing, Inc.	$25,000
Police Activity League of Middletown, Inc. (Middletown PAL)	$10,000
Project 9 Foundation 8181-369	$45,000
Project LEARN	$7,500
PROJECT MUSIC, Inc.	$30,000
Puerto Rican Parade of Fairfield County	$20,000
Puerto Ricans United	$30,000
READY, Inc.	$35,000
Rehoboth Church of God	$18,125
RF Youth Boxing, Inc.	$100,000
Rich Dae Entrepreneur Foundation	$168,125
Rivera Memorial Foundation, Inc.	$72,500
Rodney Williams	$35,000
Safe Futures, Inc.	$10,000
Sankofa Education and Leadership, Inc.	$40,000

Second Chance Re-entry Initiative Program (SCRIP)	$10,000
Silver City Girls Softball	$10,000
SoundWaters, Inc.	$40,000
Sports Academy	$50,000
Stamford Alumni Diamond Foundation, Inc.	$45,000
Stamford Public Education Foundation, Inc.	$15,000
Teach Kids Music, Inc.	$20,000
Team West Haven, Inc.	$30,000
The Bread Room, Inc.	$17,000
The Bridge Family Center, Inc.	$150,000
The Color a Positive Thought Organization	$82,500
The Cornelia Brown Foundation Corp	$25,000
The Dominican American Coalition of Connecticut Inc.	$25,000
The Gifted Onez, Inc.	$25,000
The Historically Black College Alumni	$10,000
The House of Darla, Inc.	$30,000
The Legacy Foundation of Hartford, Inc.	$50,000
The Missing Piece LLC	$18,125
The Mohegan Tribe of Indians of Connecticut	$10,000
The Norwalk Conservatory of the Arts	$10,000
The Norwalk Hospital Association, now part of Northwell	$10,000
The Police Activities League of Hartford, Inc.	$120,000
The Sonship Institute, Inc.	$25,000
The Village Initiative Project, Inc.	$70,000
The Walter E. Luckett Jr. Foundation, Inc.	$50,000
The Young Women's Christian Association of New Britain	$10,000
Today's Youth Tomorrow's Future, Inc.	$10,000
TOPS The Other Persons Shoes	$12,500
Town of East Hartford	$100,000
Town of East Hartford Youth and Social Services Department	$75,000
Town of Manchester Youth Service Bureau	$75,000
Transcend The Trend, Inc.	$75,000
Umbrella Impact	$10,000
Unique & Unified New Era Youth Movement	$55,000

United Way of Greenwich, Inc.	$40,000
University of Bridgeport	$20,000
University of Connecticut	$7,500
UR Community Cares, Inc.	$10,000
Village Initiative Project	$35,000
Walnut Orange Walsh Neighborhood Revitalization Zone, Inc.	$82,500
West Haven Board of Education	$9,000
Whaling City Youth Football League, Inc.	$10,000
Women and Families Center	$20,000
Yellow Farmhouse Education Center, Inc.	$2,500
YMCA of Northern Middlesex County, Inc.	$110,000
YMCA-Meriden, Berlin, New Britain	$10,000
Young Men's Christian Association of Greenwich	$10,000
Youth Business Initiative (YBI)	$25,000
Yuke Nation, Inc.	$25,000

Sec. 467. (*Effective from passage*) (a) For the fiscal year ending June 30, 2027, the amount of $3,250,000 shall be transferred from the Citizens' Election Fund to the Secretary of the State, for Other Expenses.

(b) From the amount transferred pursuant to subsection (a) of this section, the Secretary of the State shall use $2,250,000 for early voting grants to municipalities, and $1,000,000 for a public information campaign.

Sec. 468. (*Effective from passage*) The memorandum of agreement between the State of Connecticut Personal Care Attendant (PCA) Workforce Council and the New England Health Care Employees Union, District 1199, SEIU, submitted to this assembly for approval May 1, 2026, as provided in subdivisions (7) and (8) of subsection (c) of section 17b-706b of the general statutes, including any attachments or appendices thereto, and any provisions that require supersedence of a law or regulation, is approved.

Sec. 469. (*Effective from passage*) The memorandum of agreement between the State of Connecticut Office of Early Childhood and the Connecticut State Employees Association SEIU Local 2001, submitted to this assembly for approval May 1, 2026, as provided in subdivisions (7) and (8) of subsection (e) of section 17b-705a of the general statutes, including any attachments or appendices thereto, and any provisions that require supersedence of a law or regulation, is approved.

Sec. 470. Section 10a-174d of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) As used in this section:

(1) "Award" means the greater of: (A) The unpaid portion, if any, of a qualifying student's eligible institutional costs after subtracting such student's financial aid, or (B) a minimum award of five hundred dollars for a full-time student or three hundred dollars for a part-time student;

(2) "Eligible institutional costs" means the tuition and required fees incurred each semester by an individual student that are established by the Board of Regents for Higher Education for the Connecticut State University System and Charter Oak State College;

(3) "Financial aid" means the sum of all scholarships, grants and federal, state and institutional aid received by a qualifying student. "Financial aid" does not include any federal, state or private student loans received by a qualifying student;

(4) "Qualifying student" means any person who (A) participated in the debt-free community college program, established pursuant to section 10a-174, and **[**completed not fewer than sixty credits through said program**]** <u>received an associate's degree</u> at the Connecticut State Community College, (B) enrolls as a full-time or part-time student for the fall semester of 2026, or any semester thereafter, at a state university

within the Connecticut State University System or Charter Oak State College in a program leading to a bachelor's degree, (C) is classified as an in-state student pursuant to section 10a-29, (D) made satisfactory academic progress while enrolled at the Connecticut State Community College and continues to make satisfactory academic progress while enrolled at such state university or Charter Oak State College, (E) has completed the Free Application for Federal Student Aid, and (F) has accepted all available financial aid;

(5) "Full-time student" means a student who is enrolled at a state university within the Connecticut State University System or Charter Oak State College and (A) is carrying twelve or more credit hours in a semester, or (B) has a learning disability documented with such university in which he or she is enrolled and is enrolled in the maximum number of credit hours that is feasible for such student to attempt in a semester, as determined by such student's academic advisor;

(6) "Semester" means the fall or spring semester of an academic year. "Semester" does not include a summer semester or session; and

(7) "Part-time student" means a student who is enrolled at a state university within the Connecticut State University System or Charter Oak State College and is carrying not less than six but fewer than twelve credit hours in a semester.

(b) The Board of Regents for Higher Education shall (1) establish a finish line scholars program to make awards to qualifying students each semester, (2) adopt rules, procedures and forms necessary to implement the finish line scholars program, and (3) submit a report outlining such rules, procedures and forms, in accordance with the provisions of section 11-4a, to the joint standing committee of the General Assembly having cognizance of matters relating to higher education.

(c) For the fall semester of 2026, and each semester thereafter, the

Board of Regents for Higher Education shall make awards to qualifying students within available appropriations. An award shall be available to a qualifying student for the first seventy-two credit hours earned by the qualifying student at a state university within the Connecticut State University System or Charter Oak State College, as applicable, or until such qualifying student earns a bachelor's degree, whichever is earlier, provided the qualifying student meets and continues to meet the requirements of this section. The board shall not use an award to supplant any financial aid, including, but not limited to, state or institutional aid, otherwise available to a qualifying student.

(d) Not later than **[**November 1, 2026, and March 1, 2027, and each semester**]** January 1, 2027, June 1, 2027, and quarterly thereafter, the Board of Regents for Higher Education shall report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to higher education and employment advancement and appropriations and the budgets of the state agencies regarding the finish line scholars program, including, but not limited to, (1) the number of qualifying students enrolled at a state university within the Connecticut State University System and Charter Oak State College during each semester, (2) the number of qualifying students receiving minimum awards and the number of qualifying students receiving awards for the unpaid portion of eligible institutional costs, (3) the average number of credit hours the qualifying students enrolled in each semester and the average number of credit hours the qualifying students completed each semester, (4) the average amount of the award made to qualifying students under this section for the unpaid portion of eligible institutional costs, **[**and**]** (5) the degree completion rates of qualifying students receiving awards under this section by subject area, and (6) the average amount of institutional aid awarded to (A) Finish Line Scholars recipients by Student Aid Index groupings, and (B) students who did not receive a Finish Line Scholars award by the same Student Aid Index groupings.

Sec. 471. (*Effective from passage*) The following sums are appropriated from the GENERAL FUND for the purposes herein specified for the fiscal year ending June 30, 2026:

GENERAL FUND	2025-2026
DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	
Personal Services	4,800,000
Other Expenses	2,765,000
Fleet Purchase	2,620,000
Connecticut State Firefighter's Association	75,000
DEPARTMENT OF LABOR	
Other Expenses	1,400,000
DEPARTMENT OF HOUSING	
Housing/Homeless Services	17,000,000
DEPARTMENT OF PUBLIC HEALTH	
Other Expenses	700,000
DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	
Personal Services	7,500,000
Behavioral Health Medications	1,300,000
DEPARTMENT OF SOCIAL SERVICES	
Medicaid	80,000,000
Old Age Assistance	6,100,000
Aid To The Blind	190,000
Aid To The Disabled	6,400,000
Connecticut Home Care Program	2,900,000
DEPARTMENT OF EDUCATION	
Education Equalization Grants	2,000,000

TECHNICAL EDUCATION AND CAREER SYSTEM	
Personal Services	2,000,000
Other Expenses	2,300,000
OFFICE OF EARLY CHILDHOOD	
Birth to Three	3,500,000
DEPARTMENT OF CORRECTION	
Personal Services	18,000,000
DEPARTMENT OF CHILDREN AND FAMILIES	
Personal Services	2,400,000
JUDICIAL DEPARTMENT	
Other Expenses	4,100,000
STATE COMPTROLLER - FRINGE BENEFITS	
State Employees Health Service Cost	43,000,000
WORKERS' COMPENSATION CLAIMS - DEPARTMENT OF ADMINISTRATIVE SERVICES	
Workers' Compensation Claims	1,400,000
Workers Comp Claims – UCHC	400,000
Workers Comp Claims – DCF	200,000
Workers Comp Claims – DMHAS	8,000,000
Workers Comp Claims – DESPP	1,400,000
Workers Comp Claims – DOC	9,300,000
TOTAL - GENERAL FUND	231,750,000

Sec. 472. (*Effective from passage*) The amounts appropriated to the following agencies in section 1 of public act 25-168, as amended by this act, are reduced by the following amounts for the fiscal year ending June 30, 2026:

GENERAL FUND	2025-2026

LEGISLATIVE MANAGEMENT	
Personal Services	3,000,000
Other Expenses	2,000,000
SECRETARY OF THE STATE	
Personal Services	900,000
ELECTIONS ENFORCEMENT COMMISSION	
Elections Enforcement Commission	300,000
DEPARTMENT OF REVENUE SERVICES	
Personal Services	2,500,000
OFFICE OF GOVERNMENTAL ACCOUNTABILITY	
Contracting Standards Board	100,000
Office of the Child Advocate	200,000
Office of the Correction Ombuds	250,000
Office of the Educational Ombudsperson	150,000
OFFICE OF POLICY AND MANAGEMENT	
Personal Services	1,000,000
Property Tax Relief for Veterans	1,000,000
DEPARTMENT OF VETERANS AFFAIRS	
Personal Services	500,000
DEPARTMENT OF ADMINISTRATIVE SERVICES	
Personal Services	3,000,000
Other Expenses	1,200,000
Rents and Moving	100,000
State Insurance and Risk Mgmt Operations	4,000,000
IT Services	1,000,000
ATTORNEY GENERAL	
Personal Services	3,500,000
DIVISION OF CRIMINAL JUSTICE	
Personal Services	3,775,000

DEPARTMENT OF CONSUMER PROTECTION	
Personal Services	2,250,000
DEPARTMENT OF LABOR	
Opportunities for Long Term Unemployed	175,000
COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES	
Personal Services	350,000
DEPARTMENT OF AGRICULTURE	
Personal Services	250,000
Other Expenses	250,000
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	
Personal Services	200,000
Other Expenses	500,000
AGRICULTURAL EXPERIMENT STATION	
Personal Services	200,000
DEPARTMENT OF PUBLIC HEALTH	
Personal Services	900,000
Pancreatic Cancer Screening	100,000
Public Health Response	850,000
School Based Health Clinics	600,000
OFFICE OF HEALTH STRATEGY	
Personal Services	350,000
DEPARTMENT OF DEVELOPMENTAL SERVICES	
Personal Services	500,000
Behavioral Services Program	1,100,000
Supplemental Payments for Medical Services	300,000

DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	
Home and Community Based Services	650,000
DEPARTMENT OF SOCIAL SERVICES	
Personal Services	5,500,000
HUSKY B Program	1,400,000
Substance Use Disorder Waiver Reserve	6,570,000
Temporary Family Assistance - TANF	13,900,000
State Administered General Assistance	3,100,000
DEPARTMENT OF EDUCATION	
Personal Services	1,150,000
Other Expenses	1,750,000
Sheff Settlement	5,000,000
Sheff Transportation	4,960,000
Aspiring Educators Scholarship Program	4,500,000
Charter Schools	1,200,000
Open Choice Program	1,000,000
Magnet Schools	2,300,000
OFFICE OF EARLY CHILDHOOD	
Personal Services	500,000
OFFICE OF HIGHER EDUCATION	
Other Expenses	200,000
CT Loan Forgiveness	4,500,000
TEACHERS' RETIREMENT BOARD	
Retirees Health Service Cost	300,000
Municipal Retiree Health Insurance Costs	700,000
JUDICIAL DEPARTMENT	
Personal Services	1,871,496
Alternative Incarceration Program	500,000
Juvenile Alternative Incarceration	375,000
Workers' Compensation Claims	350,000
Youth Violence Initiative	27,022

Youth Services Prevention	573,122
Juvenile Justice Outreach Services	375,000
Board and Care for Children - Short-term and Residential	250,000
PUBLIC DEFENDER SERVICES COMMISSION	
Personal Services	1,240,000
Assigned Counsel - Criminal	684,360
STATE COMPTROLLER - FRINGE BENEFITS	
Higher Education Alternative Retirement System	32,000,000
Employers Social Security Tax	7,000,000
Other Post Employment Benefits	8,000,000
SERS Defined Contribution Match	1,000,000
WORKERS' COMPENSATION CLAIMS - DEPARTMENT OF ADMINISTRATIVE SERVICES	
Workers Comp Claims – UConn	450,000
Workers Comp Claims – CSCU	750,000
Workers Comp Claims – DDS	100,000
TOTAL - GENERAL FUND	152,076,000

Sec. 473. (*Effective from passage*) The following sums are appropriated from the SPECIAL TRANSPORTATION FUND for the purposes herein specified for the fiscal year ending June 30, 2026:

SPECIAL TRANSPORTATION FUND	2025-2026
DEPARTMENT OF TRANSPORTATION	
Other Expenses	9,000,000
Highway Planning And Research	1,041,500
STATE COMPTROLLER - FRINGE BENEFITS	
Employers Social Security Tax	150,000
State Employees Health Service Cost	7,000,000

WORKERS' COMPENSATION CLAIMS - DEPARTMENT OF ADMINISTRATIVE SERVICES	
Workers' Compensation Claims	350,000
TOTAL - SPECIAL TRANSPORTATION FUND	17,541,500

Sec. 474. (*Effective from passage*) The amounts appropriated to the following agencies in section 2 of public act 25-168, as amended by this act, are reduced by the following amounts for the fiscal year ending June 30, 2026:

SPECIAL TRANSPORTATION FUND	2025-2026
DEPARTMENT OF ADMINISTRATIVE SERVICES	
Personal Services	400,000
State Insurance and Risk Mgmt Operations	750,000
DEPARTMENT OF MOTOR VEHICLES	
Personal Services	2,000,000
DEPARTMENT OF TRANSPORTATION	
Rail Operations	10,041,500
TOTAL - SPECIAL TRANSPORTATION FUND	13,191,500

Sec. 475. (*Effective from passage*) The amounts appropriated to the following agencies in section 5 of public act 25-168, as amended by this act, are reduced by the following amounts for the fiscal year ending June 30, 2026:

INSURANCE FUND	2025-2026
DEPARTMENT OF PUBLIC HEALTH	
Immunization Services	2,000,000
OFFICE OF HEALTH STRATEGY	
Other Expenses	1,000,000

TOTAL - INSURANCE FUND	3,000,000

Sec. 476. (*Effective from passage*) Notwithstanding the provisions of title 2 of the general statutes and any personnel policies adopted pursuant to said provisions, the Office of Legislative Management shall apply terms consistent with those contained in Article 20, except section 3 of said article, of the tentative agreement for a successor collective bargaining agreement between the State of Connecticut and the Connecticut Employees Union Independent, NP-2 Bargaining Unit (CEUI), ratified on January 8, 2026, and approved pursuant to subsection (f) of section 5-278 of the general statutes, and applicable to the fiscal year ending June 30, 2027, to legislative employees for the fiscal year ending June 30, 2027.

Sec. 477. (*Effective from passage*) Up to $100,000 of the unexpended balance of funds appropriated to Legislative Management, for Statues, in section 1 of public act 23-204, for the fiscal year ending June 30, 2024, carried forward in section 9 of public act 24-81, for the fiscal year ending June 30, 2025, and carried forward in section 30 of public act 25-168, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be made available during the fiscal year ending June 30, 2027, to support removal of the John Mason statue from the State Capitol building.

Sec. 478. (*Effective July 1, 2026*) The sum of $100,000 of the amount appropriated in section 3 of this act, to the Department of Energy and Environmental Protection, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to the three state-recognized tribes, the Schaghticoke, the Paucatuck Eastern Pequot and the Golden Hill Paugussett, for storm damage clean-up and hazardous tree removal on their reservations.

Sec. 479. (*Effective July 1, 2026*) The sum of $50,000 of the amount

appropriated in section 3 of this act, to the Department of Energy and Environmental Protection, for Various Grants, for the fiscal year ending June 30, 2027, shall be made available in said fiscal year to the Mashantucket Pequot Tribe, the Mohegan Tribe of Indians of Connecticut and the three state-recognized tribes, the Schaghticoke, the Paucatuck Eastern Pequot and the Golden Hill Paugussett, for hunting and fishing license fees.

Sec. 480. (*Effective from passage*) The sum of $3,000,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Transportation, for Rail Operations, for the fiscal year ending June 30, 2026, and the sum of $4,000,000 of the amount appropriated in said section to the Department of Transportation, for Rail Operations, for the fiscal year ending June 30, 2027, shall be made available in said fiscal years for Shore Line East.

Sec. 481. (*Effective from passage*) The sum of $850,000 of the amount appropriated in section 1 of public act 25-168, as amended by this act, to the Department of Emergency Services and Public Protection, for Social Work Law Enforcement Training Partnership, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward for the fiscal year ending June 30, 2027.

Sec. 482. (*Effective from passage*) Up to $200,000 of the unexpended balance of funds appropriated to the Department of Economic and Community Development, for Various Grants, in section 1 of public act 25-168, as amended by this act, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be carried forward and made available during the fiscal year ending June 30, 2027, as a grant to the American Legion Post 17 in Naugatuck.

Sec. 483. (*Effective from passage*) Up to $250,000 of the unexpended balance of funds appropriated to the Department of Children and Families, for Various Grants, in section 1 of public act 25-168, as

amended by this act, for the fiscal year ending June 30, 2026, shall not lapse on June 30, 2026, and shall be transferred to the Department of Housing, for Various Grants, and made available during the fiscal year ending June 30, 2027, as a grant to Thames River Community Services.

Sec. 484. Section 29-1*ll* of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) The Department of Emergency Services and Public Protection, in consultation with the Police Officer Standards and Training Council, shall establish a project to be known as the social work and law enforcement project to advance the ethical and effective integration of social work services into law enforcement units by preparing social workers, social work students and law enforcement professionals to collaborate in the field of police social work. The project shall be located at Southern Connecticut State University. The objectives of the project shall be to: (1) Educate and train the social work and law enforcement workforce to collaborate by using a model that integrates police and social work, (2) increase community wellness through training, research, education and policy advocacy concerning the integration of police and social work, (3) strengthen the engagement among social workers, law enforcement officers and community members, and (4) promote dialogue concerning diversity, disparities and systemic racism in criminal and juvenile justice settings. For purposes of this section, "law enforcement unit" has the same meaning as provided in section 7-294a.

(b) Not later than January 1, 2026, the Commissioner of Emergency Services and Public Protection shall enter into a memorandum of understanding with Southern Connecticut State University for the purpose of establishing the social work and law enforcement project. Such memorandum shall include, but need not be limited to, a requirement that any use of funding for the project for a purpose other

than providing training or education to a police officer shall require the commissioner's written authorization.

(c) Not later than January 1, 2027, and annually thereafter, the Commissioner of Emergency Services and Public Protection, the Police Officer Standards and Training Council and the president of Southern Connecticut State University shall jointly report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to public safety and appropriations and the budgets of state agencies on the status of the project and expenditures associated with the project.

Sec. 485. (*Effective July 1, 2026*) Not later than January 1, 2027, the Student Loan Ombudsman, appointed pursuant to section 36a-25 of the general statutes, shall report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to banking, higher education and appropriations and the budgets of state agencies concerning the activities of the Office of the Student Loan Ombudsman during the calendar years 2025 and 2026.

Sec. 486. Section 27-19d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

There is established an account to be known as the **[**"Governor's Guards account"**]** "Governor's Foot Guards account", which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account, which shall include, but not be limited to, the proceeds of Governor's Foot Guards programs. Moneys in the account shall be expended by the Adjutant General for the purposes of facilitating the operations of the Governor's Guards.

Sec. 487. Section 27-19e of the 2026 supplement to the general statutes

is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) There is established an account to be known as the "Governor's Guards horse account", which shall be a separate, nonlapsing account. The account shall contain any moneys required by law to be deposited in the account, which shall include, but not be limited to, donations for the specific purpose of offsetting the costs of maintaining Governor's Guards' horses.

(b) There is established a subaccount within the Governor's Guards horse account, established pursuant to subsection (a) of this section, to be known as the "First Company Governor's Horse Guard account" to be used solely for activities relating to the First Company Governor's Horse Guard in Avon.

(c) There is established a subaccount within the Governor's Guards horse account, established pursuant to subsection (a) of this section, to be known as the "Second Company Governor's Horse Guard account" to be used solely for activities relating to the Second Company Governor's Horse Guard in Newtown.

(d) Moneys in the account shall be expended by the Adjutant General for the purposes of facilitating the operations of the Governor's Guards.

Sec. 488. Subsection (b) of section 12-18b of the 2026 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) Notwithstanding the provisions of sections 12-19a and 12-20a, on or before September thirtieth, annually, all funds appropriated for state grants in lieu of taxes shall be payable to municipalities and fire districts pursuant to the provisions of this section. On or before January first, annually, the Secretary of the Office of Policy and Management shall determine the amount due, as a state grant in lieu of taxes, to each

municipality and fire district in this state wherein college and hospital property is located and to each municipality and fire district in this state wherein state, municipal or tribal property, except that which was acquired and used for highways and bridges, but not excepting property acquired and used for highway administration or maintenance purposes, is located. Such determination shall be calculated based on assessed values provided to the Office of Policy and Management prior to the preceding April first, pursuant to section 12-19b.

(1) The grant payable to any municipality or fire district for state, municipal or tribal property under the provisions of this section in the fiscal year ending June 30, 2022, and each fiscal year thereafter, shall be equal to the total of:

(A) One hundred per cent of the property taxes that would have been paid with respect to any facility designated by the Commissioner of Correction, on or before August first of each year, to be a correctional facility administered under the auspices of the Department of Correction or a juvenile residential center under direction of the Judicial Branch that was used for incarcerative purposes during the preceding fiscal year. If a list containing the name and location of such designated facilities and information concerning their use for purposes of incarceration during the preceding fiscal year is not available from the Secretary of the State on August first of any year, the Commissioner of Correction shall, on said date, certify to the Secretary of the Office of Policy and Management a list containing such information;

(B) One hundred per cent of the property taxes that would have been paid with respect to that portion of the John Dempsey Hospital located at The University of Connecticut Health Center in Farmington that is used as a permanent medical ward for prisoners under the custody of the Department of Correction. Nothing in this section shall be construed as designating any portion of The University of Connecticut Health Center John Dempsey Hospital as a correctional facility;

(C) One hundred per cent of the property taxes that would have been paid on any land **[**designated within the 1983 Settlement boundary and**]** taken into trust by the federal government for the Mashantucket Pequot Tribal Nation on or after June 8, 1999;

(D) One hundred per cent of the property taxes that would have been paid with respect to the property and facilities owned by the Connecticut Port Authority;

(E) Subject to the provisions of subsection (c) of section 12-19a, sixty-five per cent of the property taxes that would have been paid with respect to the buildings and grounds comprising Connecticut Valley Hospital and Whiting Forensic Hospital in Middletown;

(F) With respect to any municipality in which more than fifty per cent of the property is state-owned real property, one hundred per cent of the property taxes that would have been paid with respect to such state-owned property;

(G) Forty-five per cent of the property taxes that would have been paid with respect to all municipally owned airports; except for the exemption applicable to such property, on the assessment list in such municipality for the assessment date two years prior to the commencement of the state fiscal year in which such grant is payable. The grant provided pursuant to this section for any municipally owned airport shall be paid to any municipality in which the airport is located, except that the grant applicable to Sikorsky Airport shall be paid one-half to the town of Stratford and one-half to the city of Bridgeport;

(H) One hundred per cent of the property taxes that would have been paid with respect to any land **[**designated within the 1983 Settlement boundary and**]** taken into trust by the federal government for the Mashantucket Pequot Tribal Nation prior to June 8, 1999, or taken into trust by the federal government for the Mohegan Tribe of Indians of

Connecticut, provided the real property subject to this subparagraph shall be the land only, and shall not include the assessed value of any structures, buildings or other improvements on such land; and

(I) Forty-five per cent of the property taxes that would have been paid with respect to all other state-owned real property.

(2) The grant payable to any municipality or fire district for college and hospital property under the provisions of this section in the fiscal year ending June 30, 2017, and each fiscal year thereafter, shall be equal to the total of seventy-seven per cent of the property taxes that, except for any exemption applicable to any college and hospital property under the provisions of section 12-81, would have been paid with respect to college and hospital property on the assessment list in such municipality or fire district for the assessment date two years prior to the commencement of the state fiscal year in which such grant is payable.

Sec. 489. Section 2-83 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

Such interns shall be appointed for the duration of the spring semester of such interns' institution of higher education, and may continue to serve for the duration of the regular session of the General Assembly or any subsequent special sessions of the General Assembly. The committee shall (1) appoint a program coordinator, and (2) authorize the expenses of administration of the program. **[**, and (3) pay at least one-half of the stipend awarded to such interns, the remainder of such stipend to be paid out of appropriations to the committee therefor.**]** Each such intern shall be paid a stipend of five hundred dollars.

Sec. 490. Subsection (a) of section 3 of special act 26-1 is amended to read as follows (*Effective from passage*):

(a) The sum of [$330,811,954] $380,811,954 is appropriated from the

Federal Cuts Response Fund, established pursuant to section 1 of **[**this act**]** special act 26-1, to the Office of Policy and Management, for the fiscal year ending June 30, 2026, for the purpose of responding to the policy impacts of P.L. 119-21 and mitigating any action or inaction by the federal government that results in a reduction in funding for any program in this state.