



House of Representatives

General Assembly

File No. 258

February Session, 2026

Substitute House Bill No. 5507

House of Representatives, March 30, 2026

The Committee on Planning and Development reported through REP. KAVROS DEGRAW of the 17th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT PROMOTING THE DEVELOPMENT OF ACCESSORY DWELLING UNITS.

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

1 Section 1. Subdivisions (1) and (2) of subsection (b) of section 8-1a of
2 the 2026 supplement to the general statutes are repealed and the
3 following is substituted in lieu thereof (*Effective October 1, 2026*):

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

9 (2) ["Affordable accessory apartment"] "Affordable accessory
10 dwelling unit" means an accessory [apartment] dwelling unit that is
11 subject to binding recorded deeds which contain covenants or
12 restrictions that require such accessory [apartment] dwelling unit be

13 sold or rented at, or below, prices that will preserve the unit as housing
14 for which, for a period of not less than ten years, persons and families
15 pay thirty per cent or less of income, where such income is less than or
16 equal to eighty per cent of the median income;

17 Sec. 2. Section 8-2o of the 2026 supplement to the general statutes is
18 repealed and the following is substituted in lieu thereof (*Effective October*
19 *1, 2026*):

20 (a) (1) Any zoning regulations adopted pursuant to section 8-2 or any
21 special act shall:

22 [(1)] (A) Designate locations or zoning districts within the
23 municipality in which accessory [apartments] dwelling units are
24 allowed, provided at least one accessory [apartment] dwelling unit shall
25 be allowed as of right on each lot that contains a single-family dwelling
26 and no such accessory [apartment] dwelling unit shall be required to be
27 an affordable accessory [apartment] dwelling unit;

28 [(2)] (B) Allow accessory [apartments] dwelling units to be attached
29 to or located within the proposed or existing principal dwelling, or
30 detached from the proposed or existing principal dwelling and located
31 on the same lot as such dwelling;

32 [(3)] Set a maximum net floor area for an accessory apartment of not
33 less than thirty per cent of the net floor area of the principal dwelling, or
34 one thousand square feet, whichever is less, except that such regulations
35 may allow a larger net floor area for such apartments;]

36 [(4)] (C) Require setbacks, lot size and building frontage less than or
37 equal to that which is required for the principal dwelling, and require
38 lot coverage greater than or equal to that which is required for the
39 principal dwelling;

40 [(5) Provide for] (D) Not require height, landscaping [and] or
41 architectural design standards that [do not] exceed any such standards
42 [as they are applied] applicable to single-family dwellings in the
43 municipality;

44 ~~[(6) Be prohibited from requiring (A)]~~ (E) Not require (i) a
45 passageway between any such accessory [apartment] dwelling unit and
46 any such principal dwelling, [(B)] (ii) an exterior door for any such
47 accessory [apartment] dwelling unit, except as required by the
48 applicable building or fire code, [(C)] (iii) any more than one parking
49 space for any such accessory [apartment] dwelling unit, or fees in lieu
50 of parking otherwise allowed by section 8-2c, [(D)] (iv) that the owner
51 of the principal dwelling occupy either such principal dwelling or the
52 accessory dwelling unit, (v) a familial, marital or employment
53 relationship between occupants of the principal dwelling and the
54 occupants, including any tenant, as defined in section 47a-1, of an
55 accessory [apartment, (E)] dwelling unit, (vi) a minimum age for
56 occupants of the accessory [apartment, (F)] dwelling unit, (vii) separate
57 billing of utilities otherwise connected to, or used by, the principal
58 dwelling unit, (viii) that an accessory dwelling unit be subject to any
59 form of deed restriction, or [(G)] (ix) periodic renewals for permits for
60 such accessory [apartments; and] dwelling units;

61 (F) Not prohibit an owner of an accessory dwelling unit from renting
62 such unit, except that a municipality may require the licensure of any
63 accessory dwelling unit used as a short-term rental pursuant to section
64 7-148qq; and

65 ~~[(7)] (G)~~ Be interpreted and enforced such that nothing in this section
66 shall be in derogation of [(A)] (i) applicable building code requirements,
67 [(B)] (ii) the ability of a municipality to prohibit or limit the use of
68 accessory [apartments] dwelling units for short-term rentals or vacation
69 stays, or [(C)] (iii) other requirements where a well or private sewerage
70 system is being used, provided approval for any such accessory
71 [apartment] dwelling unit shall not be unreasonably withheld.

72 (2) Any zoning regulations adopted pursuant to section 8-2 or any
73 special act may set a maximum floor area for an accessory dwelling unit
74 of not less than (A) one thousand square feet, or (B) one-third of the size
75 in square feet of the principal dwelling, whichever is smaller, provided
76 no such maximum floor area shall be less than four hundred square feet.

77 (b) The [as of right] as-of-right permit application and review process
78 for approval of an accessory [apartments] dwelling unit shall require
79 that a decision on any such application be rendered not later than sixty-
80 five days after receipt of such application by the applicable zoning
81 commission, except that an applicant may consent to one or more
82 extensions of not more than an additional sixty-five days or may
83 withdraw such application.

84 (c) A municipality shall not (1) condition the approval of an accessory
85 [apartment] dwelling unit on the correction of a nonconforming use,
86 structure or lot, or (2) require the installation of fire sprinklers in an
87 accessory [apartment] dwelling unit if such sprinklers are not required
88 for the principal dwelling located on the same lot or otherwise required
89 by the fire safety code.

90 (d) [A] No municipality, special district, sewer or water authority or
91 water company, as defined in section 16-1, shall [not] (1) consider an
92 accessory [apartment] dwelling unit to be a new residential use for the
93 purposes of calculating connection fees or capacity charges for utilities,
94 including water and sewer service, unless such accessory [apartment]
95 dwelling unit was constructed with a new single-family dwelling on the
96 same lot, or (2) require the installation of a new or separate utility
97 connection directly to an accessory [apartment] dwelling unit or impose
98 a related connection fee or capacity charge.

99 (e) If a municipality fails to adopt new regulations or amend existing
100 regulations by January 1, 2023, for the purpose of complying with the
101 provisions of subsections (a) to (d), inclusive, of this section, [and unless
102 such municipality opts out of the provisions of said subsections in
103 accordance with the provisions of subsection (f) of this section,] any
104 noncompliant existing regulation shall become [null and] void and such
105 municipality shall approve or deny applications for accessory
106 [apartments] dwelling units in accordance with the requirements for
107 regulations set forth in the provisions of subsections (a) to (d), inclusive,
108 of this section until such municipality adopts or amends a regulation in
109 compliance with said subsections. A municipality may not use or

110 impose additional standards beyond those set forth in subsections (a) to
111 (d), inclusive, of this section.

112 [(f) Notwithstanding the provisions of subsections (a) to (d),
113 inclusive, of this section, the zoning commission or combined planning
114 and zoning commission, as applicable, of a municipality, by a two-thirds
115 vote, may initiate the process by which such municipality opts out of
116 the provisions of said subsections regarding the allowance of accessory
117 apartments, provided such commission: (1) First holds a public hearing
118 in accordance with the provisions of section 8-7d on such proposed opt-
119 out, (2) affirmatively decides to opt out of the provisions of said
120 subsections within the period of time permitted under section 8-7d, (3)
121 states in the records of such commission the reasons for such decision,
122 and (4) publishes notice of such decision in a newspaper having a
123 substantial circulation in the municipality not later than fifteen days
124 after such decision has been rendered. Thereafter, the municipality's
125 legislative body or, in a municipality where the legislative body is a
126 town meeting, such municipality's board of selectmen, by a two-thirds
127 vote, may complete the process by which such municipality opts out of
128 the provisions of subsections (a) to (d), inclusive, of this section, except
129 that, on and after January 1, 2023, no municipality may opt out of the
130 provisions of said subsections.

131 (g) Notwithstanding any prior action of the municipality to opt out
132 of the provisions of subsections (a) to (d), inclusive, of this section,
133 pursuant to subsection (f) of this section, any owner of real property
134 located within a transit-oriented district, as defined in section 8-13hh,
135 who has owned such real property located within a transit-oriented
136 district in the municipality for not fewer than three years, may construct
137 an accessory apartment on such real property as of right, provided such
138 accessory apartment complies with any structural or architectural
139 requirements imposed by any zoning regulations adopted pursuant to
140 section 8-2.]

141 Sec. 3. (NEW) (*Effective October 1, 2026*) (a) As used in this section:

142 (1) "Accessory dwelling unit" has the same meaning as provided in

143 section 8-1a of the general statutes, as amended by this act; and

144 (2) "Preapproved accessory dwelling unit" means one or more
145 designs, models or construction specifications of accessory dwelling
146 units adopted by the Commissioner of Housing pursuant to this section.

147 (b) The Commissioner of Housing shall, within available
148 appropriations, develop and implement a program to (1) adopt one or
149 more designs, models or construction specifications of accessory
150 dwelling units as preapproved accessory dwelling units that promote
151 the efficient, safe and cost-effective placement of such units, and (2)
152 provide incentives for the placement of such units.

153 (c) In adopting preapproved accessory dwelling units pursuant to
154 subdivision (1) of subsection (b) of this section, the commissioner shall
155 consider: (1) Whether such units comply with the State Building Code
156 and applicable health and safety standards, (2) whether such units are
157 suitable for use in a variety of residential lot sizes and configurations,
158 and (3) the energy efficiency, durability and accessibility of such units
159 for persons with disabilities.

160 (d) Incentives provided by the commissioner pursuant to subdivision
161 (2) of subsection (b) of this section may include, but need not be limited
162 to: (1) Grants or forgivable loans to property owners for the construction
163 or placement of preapproved accessory dwelling units, (2) technical
164 assistance related to design selection, permitting and construction of
165 such units, and (3) financial assistance to municipalities that adopt local
166 ordinances or procedures facilitating the placement of preapproved
167 accessory dwelling units. The commissioner shall prescribe the form
168 and manner of application for any incentive provided pursuant to this
169 section.

170 (e) In implementing the program established pursuant to this section,
171 the commissioner may consult with municipalities, regional councils of
172 governments, housing authorities, nonprofit housing organizations and
173 other interested parties, as the commissioner deems appropriate.

174 Sec. 4. Section 7-245 of the general statutes is repealed and the
175 following is substituted in lieu thereof (*Effective October 1, 2026*):

176 For the purposes of this chapter: (1) "Acquire a sewerage system"
177 means obtain title to all or any part of a sewerage system or any interest
178 therein by purchase, condemnation, grant, gift, lease, rental or
179 otherwise; (2) "alternative sewage treatment system" means a sewage
180 treatment system serving one or more buildings that utilizes a method
181 of treatment other than a subsurface sewage disposal system and that
182 involves a discharge to the groundwaters of the state; (3) "community
183 sewerage system" means any sewerage system serving two or more
184 residences in separate structures which is not connected to a municipal
185 sewerage system or which is connected to a municipal sewerage system
186 as a distinct and separately managed district or segment of such system,
187 but does not include any sewerage system serving only a principal
188 dwelling unit and an accessory [apartment] dwelling unit, as defined in
189 section 8-1a, as amended by this act, located on the same lot; (4)
190 "construct a sewerage system" means to acquire land, easements, rights-
191 of-way or any other real or personal property or any interest therein,
192 plan, construct, reconstruct, equip, extend and enlarge all or any part of
193 a sewerage system; (5) "decentralized system" means managed
194 subsurface sewage disposal systems, managed alternative sewage
195 treatment systems or community sewerage systems that discharge
196 sewage flows of less than five thousand gallons per day, are used to
197 collect and treat domestic sewage, and involve a discharge to the
198 groundwaters of the state from areas of a municipality; (6)
199 "decentralized wastewater management district" means areas of a
200 municipality designated by the municipality through a municipal
201 ordinance when an engineering report has determined that the existing
202 subsurface sewage disposal systems may be detrimental to public health
203 or the environment and that decentralized systems are required and
204 such report is approved by the Commissioner of Energy and
205 Environmental Protection with concurring approval by the
206 Commissioner of Public Health, after consultation with the local
207 director of health; (7) "electronic equipment" means any technology that
208 facilitates real-time communication between two or more individuals,

209 including, but not limited to, telephonic, video and other conferencing
210 platforms; (8) "municipality" means any metropolitan district, town,
211 consolidated town and city, consolidated town and borough, city,
212 borough, village, fire and sewer district, sewer district and each
213 municipal organization having authority to levy and collect taxes; (9)
214 "operate a sewerage system" means own, use, equip, reequip, repair,
215 maintain, supervise, manage, operate and perform any act pertinent to
216 the collection, transportation and disposal of sewage; (10) "person"
217 means any person, partnership, corporation, limited liability company,
218 association or public agency; (11) "remediation standards" means
219 pollutant limits, performance requirements, design parameters or
220 technical standards for application to existing sewage discharges in a
221 decentralized wastewater management district for the improvement of
222 wastewater treatment to protect public health and the environment; (12)
223 "sewage" means any substance, liquid or solid, which may contaminate
224 or pollute or affect the cleanliness or purity of any water; and (13)
225 "sewerage system" means any device, equipment, appurtenance, facility
226 and method for collecting, transporting, receiving, treating, disposing of
227 or discharging sewage, including, but not limited to, decentralized
228 systems within a decentralized wastewater management district when
229 such district is established by municipal ordinance pursuant to section
230 7-247.

231 Sec. 5. Subdivisions (1) and (2) of subsection (e) of section 8-23 of the
232 2026 supplement to the general statutes are repealed and the following
233 is substituted in lieu thereof (*Effective October 1, 2026*):

234 (e) (1) Any such plan of conservation and development adopted prior
235 to October 1, 2027, shall (A) be a statement of policies, goals and
236 standards for the physical and economic development of the
237 municipality, (B) provide for a system of principal thoroughfares,
238 parkways, bridges, streets, sidewalks, multipurpose trails and other
239 public ways as appropriate, (C) be designed to promote, with the
240 greatest efficiency and economy, the coordinated development of the
241 municipality and the general welfare and prosperity of its people and
242 identify areas where it is feasible and prudent (i) to have compact,

243 transit accessible, pedestrian-oriented mixed use development patterns
244 and land reuse, and (ii) to promote such development patterns and land
245 reuse, (D) recommend the most desirable use of land within the
246 municipality for residential, recreational, commercial, industrial,
247 conservation, agricultural and other purposes and include a map
248 showing such proposed land uses, (E) recommend the most desirable
249 density of population in the several parts of the municipality, (F) note
250 any inconsistencies with the following growth management principles:
251 (i) Redevelopment and revitalization of commercial centers and areas of
252 mixed land uses with existing or planned physical infrastructure; (ii)
253 expansion of housing opportunities and design choices to accommodate
254 a variety of household types and needs; (iii) concentration of
255 development around transportation nodes and along major
256 transportation corridors to support the viability of transportation
257 options and land reuse; (iv) conservation and restoration of the natural
258 environment, cultural and historical resources and existing farmlands;
259 (v) protection of environmental assets critical to public health and
260 safety; and (vi) integration of planning across all levels of government
261 to address issues on a local, regional and state-wide basis, (G) make
262 provision for the development of housing opportunities, including
263 opportunities for multifamily dwellings, consistent with soil types,
264 terrain and infrastructure capacity, for all residents of the municipality
265 and the planning region in which the municipality is located, as
266 designated by the Secretary of the Office of Policy and Management
267 under section 16a-4a, (H) promote housing choice and economic
268 diversity in housing, including housing for both low and moderate
269 income households, and encourage the development of housing which
270 will meet the housing needs identified in the state's consolidated plan
271 for housing and community development prepared pursuant to section
272 8-37t and in the housing component and the other components of the
273 state plan of conservation and development prepared pursuant to
274 chapter 297, and (I) consider allowing older adults and persons with a
275 disability the ability to live in their homes and communities whenever
276 possible. Such plan may: (i) Permit home sharing in single-family zones
277 between up to four adult persons of any age with a disability or who are

278 sixty years of age or older, whether or not related, who receive
279 supportive services in the home; (ii) allow accessory [apartments]
280 dwelling units for persons with a disability or persons sixty years of age
281 or older, or their caregivers, in all residential zones, subject to municipal
282 zoning regulations concerning design and long-term use of the principal
283 property after it is no longer in use by such persons; and (iii) expand the
284 definition of "family" in single-family zones to allow for accessory
285 [apartments] dwelling units for persons sixty years of age or older,
286 persons with a disability or their caregivers. In preparing such plan the
287 commission shall consider focusing development and revitalization in
288 areas with existing or planned physical infrastructure.

289 (2) Any such plan of conservation and development adopted on or
290 after October 1, 2027, shall (A) be a statement of policies, goals and
291 standards for the physical and economic development of the
292 municipality; (B) provide for a system of principal thoroughfares,
293 parkways, bridges, streets, sidewalks, multipurpose trails and other
294 public ways as appropriate; (C) be designed to promote, with the
295 greatest efficiency and economy, the coordinated development of the
296 municipality and the general welfare and prosperity of its people and
297 identify areas where it is feasible and prudent (i) to have compact,
298 transit-accessible, pedestrian-oriented mixed use development patterns
299 and land reuse, and (ii) to promote such development patterns and land
300 reuse; (D) (i) include a climate change vulnerability assessment, based
301 on information from considerations described in subsection (d) of this
302 section, which shall consist of an assessment of existing and anticipated
303 threats to and vulnerabilities of the municipality that are associated with
304 natural disasters, hazards and climate change, including, but not limited
305 to, increased temperatures, drought, flooding, wildfire, storm damage
306 and sea level rise, saltwater intrusion and the impacts such disasters and
307 hazards may have on individuals, communities, institutions,
308 businesses, economic development, public infrastructure and facilities,
309 public health, safety and welfare, (ii) identify goals, policies and
310 techniques to avoid or reduce such threats, vulnerabilities and impacts,
311 and (iii) include a statement describing any consistencies and
312 inconsistencies identified between such assessment and any existing or

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

348 households, and encourage the development of housing which will
349 meet the housing needs identified in the state's consolidated plan for
350 housing and community development prepared pursuant to section 8-
351 37t and in the housing component and the other components of the state
352 plan of conservation and development prepared pursuant to chapter
353 297; (J) consider allowing older adults and persons with disabilities the
354 ability to live in their homes and communities whenever possible; (K)
355 identify infrastructure, including, but not limited to, facilities, public
356 utilities and roadways, that is critical for evacuation purposes and
357 sustaining quality of life during a natural disaster, and that shall be
358 maintained at all times in an operational state; (L) identify strategies and
359 design standards that may be implemented to avoid or reduce risks
360 associated with natural disasters, hazards and climate change; and (M)
361 include geospatial data utilized in preparing such plan or that is
362 necessary to convey information in such plan. Any such plan may: (i)
363 Permit home sharing in single-family zones between up to four adult
364 persons of any age with a disability or who are sixty years of age or
365 older, whether or not related, who receive supportive services in the
366 home; (ii) allow accessory [apartments] dwelling units for persons with
367 a disability or persons sixty years of age or older, or their caregivers, in
368 all residential zones, subject to municipal zoning regulations concerning
369 design and long-term use of the principal property after it is no longer
370 in use by such persons; (iii) expand the definition of "family" in single-
371 family zones to allow for accessory [apartments] dwelling units for
372 persons sixty years of age or older, persons with a disability or their
373 caregivers; and (iv) identify one or more areas that are vulnerable to the
374 impacts of climate change for the purpose of prioritizing funding for
375 infrastructure needs and resiliency planning. In preparing such plan the
376 commission shall consider focusing development and revitalization in
377 areas with existing or planned physical infrastructure. The commission
378 or any special committee may utilize information and data from any
379 natural hazard mitigation plan, floodplain management plan,
380 comprehensive emergency operations plan, emergency response plan,
381 post-disaster recovery plan, long-range transportation plan, climate
382 vulnerability assessment or resilience plan in the preparation of such

383 plan of conservation and development, including a document
384 coordinated by the applicable regional council of governments,
385 provided such information and data shall not be incorporated by
386 reference, but summarized and applied in such plan to the specific
387 policies, goals and standards of the subject municipality.

388 Sec. 6. Subsection (k) of section 8-30g of the 2026 supplement to the
389 general statutes is repealed and the following is substituted in lieu
390 thereof (*Effective October 1, 2026*):

391 (k) The affordable housing appeals procedure established under this
392 section shall not be available if the real property which is the subject of
393 the application is located in a municipality in which at least ten per cent
394 of all dwelling units in the municipality are (1) assisted housing, (2)
395 currently financed by Connecticut Housing Finance Authority
396 mortgages, (3) subject to binding recorded deeds containing covenants
397 or restrictions which require that such dwelling units be sold or rented
398 at, or below, prices which will preserve the units as housing for which
399 persons and families pay thirty per cent or less of income, where such
400 income is less than or equal to eighty per cent of the median income, (4)
401 mobile manufactured homes located in mobile manufactured home
402 parks or legally approved accessory [apartments] dwelling units, which
403 homes or [apartments] units are subject to binding recorded deeds
404 containing covenants or restrictions which require that such dwelling
405 units be sold or rented at, or below, prices which will preserve the units
406 as housing for which, for a period of not less than ten years, persons and
407 families pay thirty per cent or less of income, where such income is less
408 than or equal to eighty per cent of the median income, or (5) mobile
409 manufactured homes located in resident-owned mobile manufactured
410 home parks. For the purposes of calculating the total number of
411 dwelling units in a municipality, accessory [apartments] dwelling units
412 built or permitted after January 1, 2022, but that are not described in
413 subdivision (4) of this subsection, shall not be counted toward such total
414 number. The municipalities meeting the criteria set forth in this
415 subsection shall be listed in the report submitted under section 8-37qqq.
416 As used in this subsection, ["accessory apartment"] "accessory dwelling

417 unit" has the same meaning as provided in section 8-1a, as amended by
 418 this act, and "resident-owned mobile manufactured home park" means
 419 a mobile manufactured home park consisting of mobile manufactured
 420 homes located on land that is deed restricted, and, at the time of issuance
 421 of a loan for the purchase of such land, such loan required seventy-five
 422 per cent of the units to be leased to persons with incomes equal to or less
 423 than eighty per cent of the median income, and either (A) forty per cent
 424 of said seventy-five per cent to be leased to persons with incomes equal
 425 to or less than sixty per cent of the median income, or (B) twenty per
 426 cent of said seventy-five per cent to be leased to persons with incomes
 427 equal to or less than fifty per cent of the median income.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2026	8-1a(b)(1) and (2)
Sec. 2	October 1, 2026	8-2o
Sec. 3	October 1, 2026	New section
Sec. 4	October 1, 2026	7-245
Sec. 5	October 1, 2026	8-23(e)(1) and (2)
Sec. 6	October 1, 2026	8-30g(k)

Statement of Legislative Commissioners:

In Section 2(a)(1)(F), "provided a municipality" was changed to "except that a municipality" for clarity.

PD *Joint Favorable Subst.*

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

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Department of Housing	GF - Potential Cost	Indeterminate	Indeterminate
Department of Housing	GF - Cost	500,000	10,000

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 27 \$	FY 28 \$
All Municipalities	Potential Savings	See Below	See Below
Various Municipalities; Municipal Water Companies	Potential Revenue Loss	See Below	See Below

Explanation

The bill requires the Department of Housing (DOH) to establish a program to develop at least one pre-approved building plan, results in a one-time cost of approximately \$500,000 in FY 27 and an estimated ongoing annual cost of \$10,000 in FY 28.

DOH will contract with an architectural and/or engineering firm(s) to develop at least one plan that can be used by multiple parties. This is estimated to result in a one-time cost of approximately \$500,000. DOH may incur an ongoing annual cost of approximately \$10,000 for contracted costs for plan revisions, licensing, etc.

The bill also requires DOH to provide incentives for this program, but it does not require any specific type of incentive. This results in an indeterminate ongoing potential cost beginning in FY 27 depending

upon what incentives DOH chooses to adopt.

The bill extends provisions on zoning regulations' treatment of as-of-right accessory dwelling units (AUDs) to municipalities that exercise zoning authority under a special act.¹ This may result in a revenue loss associated with fewer connection fees to various municipalities and municipal water companies beginning in FY 27 as these ADUs cannot be treated as new residential use when calculating connections fees or capacity charges.

The bill may result in a potential savings to municipalities beginning in FY 27 to the extent it reduces the number of building plans that must be approved.

The bill makes other changes to zoning laws that do not result in a fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of connection fees.

¹ Currently these provisions only apply to municipalities that exercise zoning authority under the statutes (CGA 8-2).

OLR Bill Analysis**sHB 5507*****AN ACT PROMOTING THE DEVELOPMENT OF ACCESSORY DWELLING UNITS.*****SUMMARY**

In addition to replacing references to “accessory apartment” with “accessory dwelling unit” (ADU) throughout the statutes, this bill makes several other changes to the law on “as-of-right” ADUs, including applying the law to every municipality, even if they previously opted out or exercise zoning powers under a special act. In general, the bill’s other changes to the ADU law limit how municipalities can restrict their use.

The bill also requires the Department of Housing (DOH) commissioner, within available appropriations, to create a program to promote building pre-approved ADU designs or plans.

By law, unchanged by the bill, an ADU is a separate dwelling with cooking facilities that is located on the same lot as a larger, principal dwelling and complies with any applicable building and fire code and health and safety regulations. (Temporary healthcare structures are regulated under a different law (see CGS § 8-1bb).)

By law, an “as-of-right” dwelling may be approved by reviewing compliance with zoning regulations, without requiring (1) a public hearing; (2) a variance, special permit, or special exception; or (3) other discretionary zoning action, other than a determination that a site plan conforms with applicable zoning regulations.

Lastly, the bill makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2026

ELIMINATION OF OPT-OUT AND APPLICABILITY TO SPECIAL ACT ZONING REGULATIONS

Currently, municipalities generally must allow one ADU as-of-right on each lot that has a single-family dwelling unless their zoning commission opted out of this requirement before January 1, 2023. However, beginning October 1, 2026, the bill extends the as-of-right ADU law to cover all municipalities, even if they previously opted out.

The bill also specifically extends the law on as-of-right ADUs to municipalities that exercise zoning authority under a special act. Currently, it only applies to municipalities that exercise zoning authority under the statutes (CGS § 8-2).

In either case, the bill requires municipalities to review ADU permit applications based on the statutory requirements until their regulations are appropriately amended or adopted. A municipality may not use or impose additional standards beyond those in state law. The bill makes noncompliant regulations void.

LIMITS ON MUNICIPAL ADU REGULATIONS

Currently, municipalities generally must allow one ADU as-of-right on each lot that contains a single-family dwelling. By law, among other things, zoning regulations on these as-of-right ADUs:

1. must allow attached and detached ADUs,
2. cannot require a familial, marital, or employment relationship between the principal dwelling unit’s occupants and the ADU’s occupants;
3. cannot require ADUs to be preserved for lower-income families using a deed restriction; and
4. may prohibit or limit the use of ADUs for short-term rentals or vacation stays.

The bill makes clarifying changes and additionally prohibits regulations from:

1. banning longer-term ADU rentals,
2. requiring the principal dwelling or ADU's owner to be an owner-occupant, or
3. requiring ADUs to be deed-restricted in any way.

Restrictions on Setting Maximum ADU Size

The bill requires regulations to allow ADUs with a floor area of at least 400 square feet, regardless of the principal dwelling's size. It also makes minor changes to how the maximum ADU size is set, if regulations set a limit.

Currently, regulations cannot set a maximum net floor area for ADUs that is smaller than the lesser of (1) 30% of the principal dwelling's net floor area or (2) 1,000 square feet.

Under the bill, regulations can set a maximum floor area as small as the lesser of (1) 33% of the principal dwelling's square footage (but at least 400 square feet) or (2) 1,000 square feet.

UTILITY PROVIDERS' TREATMENT OF ADU CONNECTIONS

The bill extends the law on utility providers' treatment of ADU utility connections (such as water and sewer connections) to cover investor-owned water companies.

Under existing law, municipalities, special districts, and sewer and water authorities cannot (1) consider an ADU to be a new residential use when calculating connection fees or capacity charges for utilities unless the ADU was built with a new single-family dwelling on the same lot or (2) require the installation of a new or separate utility connection directly to an ADU or impose a related connection fee or capacity charge. Under the bill, the same prohibitions apply to investor-owned water companies.

DOH PRE-APPROVED ADU INCENTIVE PROGRAM

The bill requires the DOH commissioner, within available appropriations, to create a program to promote building pre-approved

ADU designs or plans. Specifically, the commissioner must adopt a least one pre-approved ADU design, model, or set of construction specifications that promotes efficient, safe, and cost-effectively sited ADUs. She may consult with interested parties, such as municipalities and housing organizations, and must consider:

1. the state building code and applicable health and safety standards;
2. accessibility for people with disabilities, energy efficiency, and durability; and
3. adaptability to lots that vary in size and configuration.

DOH's program must offer incentives, such as:

1. grants or forgivable loans to property owners for building or placing pre-approved ADUs;
2. technical assistance on pre-approved ADUs, including for design selection, permitting, and construction; and
3. financial assistance for municipalities that adopt policies that facilitate placing pre-approved ADUs.

BACKGROUND

Related Bills

sHB 5288, favorably reported by the Planning and Development Committee, makes the same changes as this bill related to terminology, applying the ADU law to municipalities zoning under a special act, and utility providers' treatment of ADUs.

sHB 5365, favorably reported by the Housing Committee, establishes additional categories of housing unit equivalent points for ADUs for purposes of § 8-30g moratoria.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 12 Nay 9 (03/13/2026)