



# Senate

General Assembly

**File No. 368**

February Session, 2026

Senate Bill No. 443

*Senate, April 2, 2026*

The Committee on Labor and Public Employees reported through SEN. KUSHNER of the 24th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING THE PROVISION OF SURVIVOR'S BENEFITS AND HEALTH INSURANCE COVERAGE TO FAMILY MEMBERS OF CORRECTION OFFICERS, COURT SUPPORT SERVICES DIVISION INVESTIGATORS, CRIMINAL JUSTICE DIVISION INVESTIGATORS AND OFFICE OF THE CHIEF PUBLIC DEFENDER INVESTIGATORS KILLED IN THE LINE OF DUTY.***

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

- 1 Section 1. (NEW) (*Effective July 1, 2026*) (a) As used in this section:
- 2 (1) "Dependent child" means a child, whether by blood or adoption,  
3 of a correction officer or investigator, who (A) is under the age of  
4 twenty-two and was dependent on the earnings of such officer or  
5 investigator at the time of such officer's or investigator's death, provided  
6 a child shall not be considered dependent if such child provides more  
7 than half of such child's own support, is married or is legally adopted  
8 by another person, or (B) is any age and is physically or mentally  
9 incapacitated and was dependent on the earnings of such officer or  
10 investigator at the time of such officer's or investigator's death.

11 (2) "Killed in the line of duty" means the death of a correction officer  
12 or investigator while engaged in the performance of such officer's or  
13 investigator's duties, resulting from an incident, an accident or violence  
14 that caused such death or caused injuries that were the direct or  
15 proximate cause of such officer's or investigator's death, including any  
16 death that is determined to be occupationally related by a workers'  
17 compensation insurance carrier, an employer to whom a certificate of  
18 self-insurance has been issued pursuant to section 31-248 of the general  
19 statutes or an administrative law judge for workers' compensation  
20 purposes under chapter 568 of the general statutes. "Killed in the line of  
21 duty" does not include the death of an officer or investigator whose  
22 death results from such officer's or investigator's own wanton or wilful  
23 act.

24 (3) "Correction officer" means an individual employed by the  
25 Department of Correction as a correction officer.

26 (4) "Investigator" means an individual employed as an investigator  
27 by (A) the Court Support Services Division of the Judicial Department,  
28 (B) the Division of Criminal Justice, or (C) the Office of the Chief Public  
29 Defender.

30 (5) "Surviving family member" means any person who is a surviving  
31 spouse, surviving dependent child, surviving child who is not a  
32 dependent child or surviving parent of a correction officer or an  
33 investigator killed in the line of duty, or a surviving individual listed on  
34 such officer's or investigator's most recent beneficiary form on file with  
35 such officer's or investigator's employing state agency.

36 (b) There is established a fund to be known as the "Fallen Officer and  
37 Investigator Fund". The fund may contain any moneys required by law  
38 to be deposited in the fund and shall be held by the Treasurer separate  
39 and apart from all other moneys, funds and accounts. The interest  
40 derived from the investment of the fund shall be credited to the fund.  
41 Amounts in the fund may be expended by the Comptroller for purposes  
42 of payments pursuant to subsection (c) of this section. Any balance  
43 remaining in the fund at the end of any fiscal year shall be carried

44 forward in the fund for the fiscal year next succeeding.

45 (c) (1) After receiving notice, in a form and manner as determined by  
46 the Comptroller, from an individual who is a member of the surviving  
47 family or an investigator who was killed in the line of duty, the  
48 Comptroller shall pay, within available appropriations, a lump sum  
49 death benefit totaling one hundred thousand dollars from the fund  
50 established in subsection (b) of this section to such surviving family,  
51 provided the surviving family of a correction officer or an investigator  
52 killed in the line of duty shall not receive more than one such lump sum  
53 death benefit. Payments shall be made to surviving families in the order  
54 in which notices are received until the amount in such fund is depleted.

55 (2) Any payment made pursuant to subdivision (1) of this subsection  
56 shall be in addition to any other benefits for which individuals of such  
57 officer's or investigator's surviving family are eligible and such  
58 payments shall not be reduced or offset due to any other benefits,  
59 including, but not limited to, workers' compensation or other survivor  
60 benefits.

61 (d) Not later than July 1, 2026, and annually thereafter, the  
62 Comptroller shall submit a report, in accordance with the provisions of  
63 section 11-4a of the general statutes, to the joint standing committees of  
64 the General Assembly having cognizance of matters relating to labor  
65 and public employees and the judiciary. Such report shall include a list  
66 of all expenditures made from the fund established by subsection (b) of  
67 this section during the prior year, the current balance of such fund and  
68 information regarding additional amounts needed for such fund.

69 (e) The Comptroller shall adopt regulations in accordance with the  
70 provisions of chapter 54 of the general statutes to implement the  
71 provisions of this section, including, but not limited to, application  
72 procedures and criteria for making payments among individuals who  
73 are members of the surviving family, with priority given to awards that  
74 would benefit a dependent child or children and a spouse who is a  
75 member of the surviving family. The Comptroller may implement  
76 policies and procedures necessary to implement the provisions of this

77 section while in the process of adopting such regulations, provided  
78 notice of intent to adopt such regulations is published on the  
79 eRegulations System not later than twenty days after the date of  
80 implementation of such policies and procedures. Any policies and  
81 procedures implemented under this subsection shall be valid until the  
82 time such regulations are adopted.

83 Sec. 2. Subparagraph (B) of subdivision (20) of subsection (a) of  
84 section 12-701 of the 2026 supplement to the general statutes is repealed  
85 and the following is substituted in lieu thereof (*Effective July 1, 2026*):

86 (B) There shall be subtracted therefrom:

87 (i) To the extent properly includable in gross income for federal  
88 income tax purposes, any income with respect to which taxation by any  
89 state is prohibited by federal law;

90 (ii) To the extent allowable under section 12-718, exempt dividends  
91 paid by a regulated investment company;

92 (iii) To the extent properly includable in gross income for federal  
93 income tax purposes, the amount of any refund or credit for  
94 overpayment of income taxes imposed by this state, or any other state  
95 of the United States or a political subdivision thereof, or the District of  
96 Columbia;

97 (iv) To the extent properly includable in gross income for federal  
98 income tax purposes and not otherwise subtracted from federal  
99 adjusted gross income pursuant to clause (x) of this subparagraph in  
100 computing Connecticut adjusted gross income, any tier 1 railroad  
101 retirement benefits;

102 (v) To the extent any additional allowance for depreciation under  
103 Section 168(k) of the Internal Revenue Code for property placed in  
104 service after September 27, 2017, was added to federal adjusted gross  
105 income pursuant to subparagraph (A)(ix) of this subdivision in  
106 computing Connecticut adjusted gross income, twenty-five per cent of  
107 such additional allowance for depreciation in each of the four

108 succeeding taxable years;

109 (vi) To the extent properly includable in gross income for federal  
110 income tax purposes, any interest income from obligations issued by or  
111 on behalf of the state of Connecticut, any political subdivision thereof,  
112 or public instrumentality, state or local authority, district or similar  
113 public entity created under the laws of the state of Connecticut;

114 (vii) To the extent properly includable in determining the net gain or  
115 loss from the sale or other disposition of capital assets for federal income  
116 tax purposes, any gain from the sale or exchange of obligations issued  
117 by or on behalf of the state of Connecticut, any political subdivision  
118 thereof, or public instrumentality, state or local authority, district or  
119 similar public entity created under the laws of the state of Connecticut,  
120 in the income year such gain was recognized;

121 (viii) Any interest on indebtedness incurred or continued to purchase  
122 or carry obligations or securities the interest on which is subject to tax  
123 under this chapter but exempt from federal income tax, to the extent that  
124 such interest on indebtedness is not deductible in determining federal  
125 adjusted gross income and is attributable to a trade or business carried  
126 on by such individual;

127 (ix) Ordinary and necessary expenses paid or incurred during the  
128 taxable year for the production or collection of income which is subject  
129 to taxation under this chapter but exempt from federal income tax, or  
130 the management, conservation or maintenance of property held for the  
131 production of such income, and the amortizable bond premium for the  
132 taxable year on any bond the interest on which is subject to tax under  
133 this chapter but exempt from federal income tax, to the extent that such  
134 expenses and premiums are not deductible in determining federal  
135 adjusted gross income and are attributable to a trade or business carried  
136 on by such individual;

137 (x) (I) For taxable years commencing prior to January 1, 2019, for a  
138 person who files a return under the federal income tax as an unmarried  
139 individual whose federal adjusted gross income for such taxable year is

140 less than fifty thousand dollars, or as a married individual filing  
141 separately whose federal adjusted gross income for such taxable year is  
142 less than fifty thousand dollars, or for a husband and wife who file a  
143 return under the federal income tax as married individuals filing jointly  
144 whose federal adjusted gross income for such taxable year is less than  
145 sixty thousand dollars or a person who files a return under the federal  
146 income tax as a head of household whose federal adjusted gross income  
147 for such taxable year is less than sixty thousand dollars, an amount  
148 equal to the Social Security benefits includable for federal income tax  
149 purposes;

150 (II) For taxable years commencing prior to January 1, 2019, for a  
151 person who files a return under the federal income tax as an unmarried  
152 individual whose federal adjusted gross income for such taxable year is  
153 fifty thousand dollars or more, or as a married individual filing  
154 separately whose federal adjusted gross income for such taxable year is  
155 fifty thousand dollars or more, or for a husband and wife who file a  
156 return under the federal income tax as married individuals filing jointly  
157 whose federal adjusted gross income from such taxable year is sixty  
158 thousand dollars or more or for a person who files a return under the  
159 federal income tax as a head of household whose federal adjusted gross  
160 income for such taxable year is sixty thousand dollars or more, an  
161 amount equal to the difference between the amount of Social Security  
162 benefits includable for federal income tax purposes and the lesser of  
163 twenty-five per cent of the Social Security benefits received during the  
164 taxable year, or twenty-five per cent of the excess described in Section  
165 86(b)(1) of the Internal Revenue Code;

166 (III) For the taxable year commencing January 1, 2019, and each  
167 taxable year thereafter, for a person who files a return under the federal  
168 income tax as an unmarried individual whose federal adjusted gross  
169 income for such taxable year is less than seventy-five thousand dollars,  
170 or as a married individual filing separately whose federal adjusted gross  
171 income for such taxable year is less than seventy-five thousand dollars,  
172 or for a husband and wife who file a return under the federal income tax  
173 as married individuals filing jointly whose federal adjusted gross

174 income for such taxable year is less than one hundred thousand dollars  
175 or a person who files a return under the federal income tax as a head of  
176 household whose federal adjusted gross income for such taxable year is  
177 less than one hundred thousand dollars, an amount equal to the Social  
178 Security benefits includable for federal income tax purposes; and

179 (IV) For the taxable year commencing January 1, 2019, and each  
180 taxable year thereafter, for a person who files a return under the federal  
181 income tax as an unmarried individual whose federal adjusted gross  
182 income for such taxable year is seventy-five thousand dollars or more,  
183 or as a married individual filing separately whose federal adjusted gross  
184 income for such taxable year is seventy-five thousand dollars or more,  
185 or for a husband and wife who file a return under the federal income tax  
186 as married individuals filing jointly whose federal adjusted gross  
187 income from such taxable year is one hundred thousand dollars or more  
188 or for a person who files a return under the federal income tax as a head  
189 of household whose federal adjusted gross income for such taxable year  
190 is one hundred thousand dollars or more, an amount equal to the  
191 difference between the amount of Social Security benefits includable for  
192 federal income tax purposes and the lesser of twenty-five per cent of the  
193 Social Security benefits received during the taxable year, or twenty-five  
194 per cent of the excess described in Section 86(b)(1) of the Internal  
195 Revenue Code;

196 (xi) To the extent properly includable in gross income for federal  
197 income tax purposes, any amount rebated to a taxpayer pursuant to  
198 section 12-746;

199 (xii) To the extent properly includable in the gross income for federal  
200 income tax purposes of a designated beneficiary, any distribution to  
201 such beneficiary from any qualified state tuition program, as defined in  
202 Section 529(b) of the Internal Revenue Code, established and  
203 maintained by this state or any official, agency or instrumentality of the  
204 state;

205 (xiii) To the extent allowable under section 12-701a, contributions to  
206 accounts established pursuant to any qualified state tuition program, as

207 defined in Section 529(b) of the Internal Revenue Code, established and  
208 maintained by this state or any official, agency or instrumentality of the  
209 state;

210 (xiv) To the extent properly includable in gross income for federal  
211 income tax purposes, the amount of any Holocaust victims' settlement  
212 payment received in the taxable year by a Holocaust victim;

213 (xv) To the extent properly includable in the gross income for federal  
214 income tax purposes of a designated beneficiary, as defined in section  
215 3-123aa, interest, dividends or capital gains earned on contributions to  
216 accounts established for the designated beneficiary pursuant to the  
217 Connecticut Homecare Option Program for the Elderly established by  
218 sections 3-123aa to 3-123ff, inclusive;

219 (xvi) To the extent properly includable in gross income for federal  
220 income tax purposes, any income received from the United States  
221 government as retirement pay for a retired member of (I) the Armed  
222 Forces of the United States, as defined in Section 101 of Title 10 of the  
223 United States Code, or (II) the National Guard, as defined in Section 101  
224 of Title 10 of the United States Code;

225 (xvii) To the extent properly includable in gross income for federal  
226 income tax purposes for the taxable year, any income from the discharge  
227 of indebtedness in connection with any reacquisition, after December  
228 31, 2008, and before January 1, 2011, of an applicable debt instrument or  
229 instruments, as those terms are defined in Section 108 of the Internal  
230 Revenue Code, as amended by Section 1231 of the American Recovery  
231 and Reinvestment Act of 2009, to the extent any such income was added  
232 to federal adjusted gross income pursuant to subparagraph (A)(xi) of  
233 this subdivision in computing Connecticut adjusted gross income for a  
234 preceding taxable year;

235 (xviii) To the extent not deductible in determining federal adjusted  
236 gross income, the amount of any contribution to a manufacturing  
237 reinvestment account established pursuant to section 32-9zz in the  
238 taxable year that such contribution is made;

239 (xix) To the extent properly includable in gross income for federal  
240 income tax purposes, (I) for the taxable year commencing January 1,  
241 2015, ten per cent of the income received from the state teachers'  
242 retirement system, (II) for the taxable years commencing January 1,  
243 2016, to January 1, 2020, inclusive, twenty-five per cent of the income  
244 received from the state teachers' retirement system, and (III) for the  
245 taxable year commencing January 1, 2021, and each taxable year  
246 thereafter, fifty per cent of the income received from the state teachers'  
247 retirement system or, for a taxpayer whose federal adjusted gross  
248 income does not exceed the applicable threshold under clause (xx) of  
249 this subparagraph, the percentage pursuant to said clause of the income  
250 received from the state teachers' retirement system, whichever  
251 deduction is greater;

252 (xx) To the extent properly includable in gross income for federal  
253 income tax purposes, except for retirement benefits under clause (iv) of  
254 this subparagraph and retirement pay under clause (xvi) of this  
255 subparagraph, for a person who files a return under the federal income  
256 tax as an unmarried individual whose federal adjusted gross income for  
257 such taxable year is less than seventy-five thousand dollars, or as a  
258 married individual filing separately whose federal adjusted gross  
259 income for such taxable year is less than seventy-five thousand dollars,  
260 or as a head of household whose federal adjusted gross income for such  
261 taxable year is less than seventy-five thousand dollars, or for a husband  
262 and wife who file a return under the federal income tax as married  
263 individuals filing jointly whose federal adjusted gross income for such  
264 taxable year is less than one hundred thousand dollars, (I) for the taxable  
265 year commencing January 1, 2019, fourteen per cent of any pension or  
266 annuity income, (II) for the taxable year commencing January 1, 2020,  
267 twenty-eight per cent of any pension or annuity income, (III) for the  
268 taxable year commencing January 1, 2021, forty-two per cent of any  
269 pension or annuity income, and (IV) for the taxable years commencing  
270 January 1, 2022, and January 1, 2023, one hundred per cent of any  
271 pension or annuity income;

272 (xxi) To the extent properly includable in gross income for federal

273 income tax purposes, except for retirement benefits under clause (iv) of  
 274 this subparagraph and retirement pay under clause (xvi) of this  
 275 subparagraph, any pension or annuity income for the taxable year  
 276 commencing on or after January 1, 2024, and each taxable year  
 277 thereafter, in accordance with the following schedule, for a person who  
 278 files a return under the federal income tax as an unmarried individual  
 279 whose federal adjusted gross income for such taxable year is less than  
 280 one hundred thousand dollars, or as a married individual filing  
 281 separately whose federal adjusted gross income for such taxable year is  
 282 less than one hundred thousand dollars, or as a head of household  
 283 whose federal adjusted gross income for such taxable year is less than  
 284 one hundred thousand dollars:

T1	Federal Adjusted Gross Income	Deduction
T2	Less than \$75,000	100.0%
T3	\$75,000 but not over \$77,499	85.0%
T4	\$77,500 but not over \$79,999	70.0%
T5	\$80,000 but not over \$82,499	55.0%
T6	\$82,500 but not over \$84,999	40.0%
T7	\$85,000 but not over \$87,499	25.0%
T8	\$87,500 but not over \$89,999	10.0%
T9	\$90,000 but not over \$94,999	5.0%
T10	\$95,000 but not over \$99,999	2.5%
T11	\$100,000 and over	0.0%

285 (xxii) To the extent properly includable in gross income for federal  
 286 income tax purposes, except for retirement benefits under clause (iv) of  
 287 this subparagraph and retirement pay under clause (xvi) of this  
 288 subparagraph, any pension or annuity income for the taxable year  
 289 commencing on or after January 1, 2024, and each taxable year  
 290 thereafter, in accordance with the following schedule for married  
 291 individuals who file a return under the federal income tax as married  
 292 individuals filing jointly whose federal adjusted gross income for such  
 293 taxable year is less than one hundred fifty thousand dollars:

T12	Federal Adjusted Gross Income	Deduction
T13	Less than \$100,000	100.0%
T14	\$100,000 but not over \$104,999	85.0%
T15	\$105,000 but not over \$109,999	70.0%
T16	\$110,000 but not over \$114,999	55.0%
T17	\$115,000 but not over \$119,999	40.0%
T18	\$120,000 but not over \$124,999	25.0%
T19	\$125,000 but not over \$129,999	10.0%
T20	\$130,000 but not over \$139,999	5.0%
T21	\$140,000 but not over \$149,999	2.5%
T22	\$150,000 and over	0.0%

294 (xxiii) The amount of lost wages and medical, travel and housing  
 295 expenses, not to exceed ten thousand dollars in the aggregate, incurred  
 296 by a taxpayer during the taxable year in connection with the donation  
 297 to another person of an organ for organ transplantation occurring on or  
 298 after January 1, 2017;

299 (xxiv) To the extent properly includable in gross income for federal  
 300 income tax purposes, the amount of any financial assistance received  
 301 from the Crumbling Foundations Assistance Fund or paid to or on  
 302 behalf of the owner of a residential building pursuant to sections 8-442  
 303 and 8-443;

304 (xxv) To the extent properly includable in gross income for federal  
 305 income tax purposes, the amount calculated pursuant to subsection (b)  
 306 of section 12-704g for income received by a general partner of a venture  
 307 capital fund, as defined in 17 CFR 275.203(l)-1, as amended from time to  
 308 time;

309 (xxvi) To the extent any portion of a deduction under Section 179 of  
 310 the Internal Revenue Code was added to federal adjusted gross income  
 311 pursuant to subparagraph (A)(xiv) of this subdivision in computing  
 312 Connecticut adjusted gross income, twenty-five per cent of such  
 313 disallowed portion of the deduction in each of the four succeeding  
 314 taxable years;

315 (xxvii) To the extent properly includable in gross income for federal  
 316 income tax purposes, for a person who files a return under the federal  
 317 income tax as an unmarried individual whose federal adjusted gross  
 318 income for such taxable year is less than seventy-five thousand dollars,  
 319 or as a married individual filing separately whose federal adjusted gross  
 320 income for such taxable year is less than seventy-five thousand dollars,  
 321 or as a head of household whose federal adjusted gross income for such  
 322 taxable year is less than seventy-five thousand dollars, or for a husband  
 323 and wife who file a return under the federal income tax as married  
 324 individuals filing jointly whose federal adjusted gross income for such  
 325 taxable year is less than one hundred thousand dollars, for the taxable  
 326 year commencing January 1, 2023, twenty-five per cent of any  
 327 distribution from an individual retirement account other than a Roth  
 328 individual retirement account;

329 (xxviii) To the extent properly includable in gross income for federal  
 330 income tax purposes, for a person who files a return under the federal  
 331 income tax as an unmarried individual whose federal adjusted gross  
 332 income for such taxable year is less than one hundred thousand dollars,  
 333 or as a married individual filing separately whose federal adjusted gross  
 334 income for such taxable year is less than one hundred thousand dollars,  
 335 or as a head of household whose federal adjusted gross income for such  
 336 taxable year is less than one hundred thousand dollars, (I) for the taxable  
 337 year commencing January 1, 2024, fifty per cent of any distribution from  
 338 an individual retirement account other than a Roth individual  
 339 retirement account, (II) for the taxable year commencing January 1, 2025,  
 340 seventy-five per cent of any distribution from an individual retirement  
 341 account other than a Roth individual retirement account, and (III) for  
 342 the taxable year commencing January 1, 2026, and each taxable year  
 343 thereafter, any distribution from an individual retirement account other  
 344 than a Roth individual retirement account. The subtraction under this  
 345 clause shall be made in accordance with the following schedule:

T23	Federal Adjusted Gross Income	Deduction
T24	Less than \$75,000	100.0%

T25	\$75,000 but not over \$77,499	85.0%
T26	\$77,500 but not over \$79,999	70.0%
T27	\$80,000 but not over \$82,499	55.0%
T28	\$82,500 but not over \$84,999	40.0%
T29	\$85,000 but not over \$87,499	25.0%
T30	\$87,500 but not over \$89,999	10.0%
T31	\$90,000 but not over \$94,999	5.0%
T32	\$95,000 but not over \$99,999	2.5%
T33	\$100,000 and over	0.0%

346 (xxix) To the extent properly includable in gross income for federal  
347 income tax purposes, for married individuals who file a return under  
348 the federal income tax as married individuals filing jointly whose  
349 federal adjusted gross income for such taxable year is less than one  
350 hundred fifty thousand dollars, (I) for the taxable year commencing  
351 January 1, 2024, fifty per cent of any distribution from an individual  
352 retirement account other than a Roth individual retirement account, (II)  
353 for the taxable year commencing January 1, 2025, seventy-five per cent  
354 of any distribution from an individual retirement account other than a  
355 Roth individual retirement account, and (III) for the taxable year  
356 commencing January 1, 2026, and each taxable year thereafter, any  
357 distribution from an individual retirement account other than a Roth  
358 individual retirement account. The subtraction under this clause shall  
359 be made in accordance with the following schedule:

T34	Federal Adjusted Gross Income	Deduction
T35	Less than \$100,000	100.0%
T36	\$100,000 but not over \$104,999	85.0%
T37	\$105,000 but not over \$109,999	70.0%
T38	\$110,000 but not over \$114,999	55.0%
T39	\$115,000 but not over \$119,999	40.0%
T40	\$120,000 but not over \$124,999	25.0%
T41	\$125,000 but not over \$129,999	10.0%
T42	\$130,000 but not over \$139,999	5.0%
T43	\$140,000 but not over \$149,999	2.5%

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T44      \$150,000 and over      0.0%

360      (xxx) To the extent properly includable in gross income for federal  
361 income tax purposes, for the taxable year commencing January 1, 2022,  
362 the amount or amounts paid or otherwise credited to any eligible  
363 resident of this state under (I) the 2020 Earned Income Tax Credit  
364 enhancement program from funding allocated to the state through the  
365 Coronavirus Relief Fund established under the Coronavirus Aid, Relief,  
366 and Economic Security Act, P.L. 116-136, and (II) the 2021 Earned  
367 Income Tax Credit enhancement program from funding allocated to the  
368 state pursuant to Section 9901 of Subtitle M of Title IX of the American  
369 Rescue Plan Act of 2021, P.L. 117-2;

370      (xxxii) For the taxable year commencing January 1, 2023, and each  
371 taxable year thereafter, for a taxpayer licensed under the provisions of  
372 chapter 420f or 420h, the amount of ordinary and necessary expenses  
373 that would be eligible to be claimed as a deduction for federal income  
374 tax purposes under Section 162(a) of the Internal Revenue Code but that  
375 are disallowed under Section 280E of the Internal Revenue Code  
376 because marijuana is a controlled substance under the federal  
377 Controlled Substance Act;

378      (xxxiii) To the extent properly includable in gross income for federal  
379 income tax purposes, for the taxable year commencing on or after  
380 January 1, 2025, and each taxable year thereafter, any common stock  
381 received by the taxpayer during the taxable year under a share plan, as  
382 defined in section 12-217ss;

383      (xxxiiii) To the extent properly includable in gross income for federal  
384 income tax purposes, the amount of any student loan reimbursement  
385 payment received by a taxpayer pursuant to section 10a-19m;

386      (xxxv) Contributions to an ABLE account established pursuant to  
387 sections 3-39k to 3-39q, inclusive, not to exceed five thousand dollars for  
388 each individual taxpayer or ten thousand dollars for taxpayers filing a  
389 joint return;

390 (xxxv) To the extent properly includable in gross income for federal  
391 income tax purposes, the amount of any payment received pursuant to  
392 subsection (c) of section 3-122a;

393 (xxxvi) For an account holder, as defined in section 12-724b, who files  
394 a return under the federal income tax as an unmarried individual, a  
395 married individual filing separately or a head of household, whose  
396 federal adjusted gross income for the taxable year is less than one  
397 hundred twenty-five thousand dollars or who files a return under the  
398 federal income tax as married individuals filing jointly whose federal  
399 adjusted gross income for the taxable year is less than two hundred fifty  
400 thousand dollars:

401 (I) To the extent not deductible in determining federal adjusted gross  
402 income, for the taxable year commencing January 1, 2027, an amount  
403 equal to the contributions deposited during the taxable years  
404 commencing January 1, 2026, and January 1, 2027, in a first-time  
405 homebuyer savings account established pursuant to subsection (c) of  
406 section 12-724b, less any amounts withdrawn during said taxable years  
407 by the account holder from such account under subparagraph (D) of  
408 subdivision (2) of subsection (f) of section 12-724b. The amount claimed  
409 under this subclause shall not exceed two thousand five hundred  
410 dollars for each such taxable year for an unmarried individual, a  
411 married individual filing separately or a head of household and five  
412 thousand dollars for each such taxable year for married individuals  
413 filing jointly;

414 (II) To the extent not deductible in determining federal adjusted gross  
415 income, for the taxable year commencing January 1, 2028, and each  
416 taxable year thereafter, an amount equal to the contributions deposited  
417 during the taxable year in a first-time homebuyer savings account  
418 established pursuant to subsection (c) of section 12-724b, less any  
419 amounts withdrawn during the taxable year by the account holder from  
420 such account pursuant to subparagraph (D) of subdivision (2) of  
421 subsection (f) of section 12-724b. The amount allowed to be claimed  
422 under this subclause for the taxable year shall not exceed two thousand

423 five hundred dollars for an unmarried individual, a married individual  
424 filing separately or a head of household and five thousand dollars for  
425 married individuals filing jointly; and

426 (III) To the extent properly includable in gross income for federal  
427 income tax purposes, for the taxable year commencing January 1, 2027,  
428 and each taxable year thereafter, an amount equal to the sum of all  
429 interest accrued on a first-time homebuyer savings account, established  
430 pursuant to subsection (c) of section 12-724b, during the taxable year;  
431 [and]

432 (xxxvii) To the extent properly includable in gross income for federal  
433 income tax purposes, for the taxable year commencing January 1, 2027,  
434 and each taxable year thereafter, for an account holder who is a qualified  
435 beneficiary of a first-time homebuyer savings account, as those terms  
436 are defined in section 12-724b, and who files a return under the federal  
437 income tax as an unmarried individual, a married individual filing  
438 separately or a head of household, whose federal adjusted gross income  
439 for the taxable year is less than one hundred twenty-five thousand  
440 dollars or who files a return under the federal income tax as married  
441 individuals filing jointly whose federal adjusted gross income for the  
442 taxable year is less than two hundred fifty thousand dollars, an amount  
443 equal to any withdrawal from such account that is used to pay or  
444 reimburse such qualified beneficiary for eligible costs, as defined in  
445 section 12-724b, incurred by the qualified beneficiary; and

446 (xxxviii) To the extent properly excludable in gross income for federal  
447 income tax purposes, the amount of any payment received pursuant to  
448 subsection (c) of section 1 of this act.

449 Sec. 3. Subsection (a) of section 5-259 of the 2026 supplement to the  
450 general statutes is repealed and the following is substituted in lieu  
451 thereof (*Effective July 1, 2026*):

452 (a) The Comptroller, with the approval of the Attorney General and  
453 of the Insurance Commissioner, shall arrange and procure a group  
454 hospitalization and medical and surgical insurance plan or plans for (1)

455 state employees, (2) members of the General Assembly who elect  
456 coverage under such plan or plans, (3) participants in an alternate  
457 retirement program who meet the service requirements of section 5-162  
458 or subsection (a) of section 5-166, (4) anyone receiving benefits under  
459 section 5-144 or from any state-sponsored retirement system, except the  
460 teachers' retirement system and the municipal employees retirement  
461 system, (5) judges of probate and Probate Court employees, (6) the  
462 surviving spouse, and any dependent children of a state police officer, a  
463 member of an organized local police department, a firefighter or a  
464 constable who performs criminal law enforcement duties who dies  
465 before, on or after June 26, 2003, as the result of injuries received while  
466 acting within the scope of such officer's or firefighter's or constable's  
467 employment and not as the result of illness or natural causes, and whose  
468 surviving spouse and dependent children are not otherwise eligible for  
469 a group hospitalization and medical and surgical insurance plan.  
470 Coverage for a dependent child pursuant to this subdivision shall  
471 terminate no earlier than the end of the calendar year during whichever  
472 of the following occurs first, the date on which the child: Becomes  
473 covered under a group health plan through the dependent's own  
474 employment; or attains the age of twenty-six, (7) employees of the  
475 Capital Region Development Authority established by section 32-601,  
476 (8) the surviving spouse and dependent children of any employee of a  
477 municipality who dies on or after October 1, 2000, as the result of  
478 injuries received while acting within the scope of such employee's  
479 employment and not as the result of illness or natural causes, and whose  
480 surviving spouse and dependent children are not otherwise eligible for  
481 a group hospitalization and medical and surgical insurance plan, [and]  
482 (9) state marshals, and (10) the surviving spouse and dependent  
483 children of any correction officer or investigator who is killed in the line  
484 of duty on or after July 1, 2026, and whose surviving spouse and  
485 dependent children are not otherwise eligible for a group  
486 hospitalization and medical and surgical insurance plan. For purposes  
487 of this subdivision, "correction officer", "investigator" and "killed in the  
488 line of duty" have the same meanings as provided in section 1 of this act.  
489 For purposes of subdivision (8) of this subsection, "employee" means

490 any regular employee or elective officer receiving pay from a  
491 municipality, "municipality" means any town, city, borough, school  
492 district, taxing district, fire district, district department of health,  
493 probate district, housing authority, regional workforce development  
494 board established under section 31-3k, flood commission or authority  
495 established by special act or regional council of governments. For  
496 purposes of subdivision (6) of this subsection, "firefighter" means any  
497 person who is regularly employed and paid by any municipality for the  
498 purpose of performing firefighting duties for a municipality on average  
499 of not less than thirty-five hours per week. The minimum benefits to be  
500 provided by such plan or plans shall be substantially equal in value to  
501 the benefits that each such employee or member of the General  
502 Assembly could secure in such plan or plans on an individual basis on  
503 the preceding first day of July. The state shall pay for each such  
504 employee and each member of the General Assembly covered by such  
505 plan or plans the portion of the premium charged for such member's or  
506 employee's individual coverage and seventy per cent of the additional  
507 cost of the form of coverage and such amount shall be credited to the  
508 total premiums owed by such employee or member of the General  
509 Assembly for the form of such member's or employee's coverage under  
510 such plan or plans. On and after January 1, 1989, the state shall pay for  
511 anyone receiving benefits from any such state-sponsored retirement  
512 system one hundred per cent of the portion of the premium charged for  
513 such member's or employee's individual coverage and one hundred per  
514 cent of any additional cost for the form of coverage. The balance of any  
515 premiums payable by an individual employee or by a member of the  
516 General Assembly for the form of coverage shall be deducted from the  
517 payroll by the State Comptroller. The total premiums payable shall be  
518 remitted by the Comptroller to the insurance company or companies or  
519 nonprofit organization or organizations providing the coverage. The  
520 amount of the state's contribution per employee for a health  
521 maintenance organization option shall be equal, in terms of dollars and  
522 cents, to the largest amount of the contribution per employee paid for  
523 any other option that is available to all eligible state employees included  
524 in the health benefits plan, but shall not be required to exceed the

525 amount of the health maintenance organization premium.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2026</i>	New section
Sec. 2	<i>July 1, 2026</i>	12-701(a)(20)(B)
Sec. 3	<i>July 1, 2026</i>	5-259(a)

**LAB**      *Joint Favorable*

*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 Revenue Services	GF - Potential Revenue Loss	Minimal	Minimal
State Comptroller - Fringe Benefits	GF - Cost	See Below	See Below

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill establishes a non-lapsing “Fallen Officer and Investigator Fund” offering certain survivor benefits to family members or beneficiaries of correction officers, or certain investigators killed in the line of duty, which results in the costs described below.

Benefit payments, which total \$100,000 for each qualifying beneficiary, are exempt from the personal income tax under the bill. Thus, each qualifying beneficiary would result in a General Fund revenue loss of approximately \$4,000. The one-time lump sum death benefit will be paid out of the fund and does not result in a fiscal impact to the state.

Group hospitalization and medical and surgical insurance plan coverage for surviving family, results in a cost to the State Comptroller – Fringe Benefits of less than \$40,000 annually for the full cost of medical premiums for qualifying beneficiaries to the extent they elect coverage.

The bill additionally requires the Comptroller to submit an annual report of certain financial information regarding the fund, and adopt

implementing regulations, neither of which result in a fiscal impact and can be completed within existing resources.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to instances where covered officers or investigators are killed in the line of duty.

**OLR Bill Analysis****SB 443*****AN ACT CONCERNING THE PROVISION OF SURVIVOR'S BENEFITS AND HEALTH INSURANCE COVERAGE TO FAMILY MEMBERS OF CORRECTION OFFICERS, COURT SUPPORT SERVICES DIVISION INVESTIGATORS, CRIMINAL JUSTICE DIVISION INVESTIGATORS AND OFFICE OF THE CHIEF PUBLIC DEFENDER INVESTIGATORS KILLED IN THE LINE OF DUTY.*****SUMMARY**

This bill establishes the "Fallen Officer and Investigator Fund" to, within available appropriations, give a \$100,000 lump sum death benefit to a surviving family member or beneficiary of a Department of Correction's correction officer or certain investigators killed in the line of duty or who sustained injuries that were the direct and proximate cause of their death. The bill applies to investigators employed by the Judicial Department's Court Support Services Division, the Division of Criminal Justice, or the Office of the Chief Public Defender. (The bill's provisions on the fund are substantially similar to those in existing law for the "Fallen Hero Fund," which applies to first responders killed in the line of duty (CGS § 3-122a; see BACKGROUND).)

Under the bill, the payment is not taxable for state income tax purposes and must not be reduced or offset due to other benefits that may be awarded (such as workers' compensation).

By law, surviving family members of a state employee who dies in the line of duty are entitled to monthly payments for up to 10 years in the amount of \$50,000 or \$100,000, depending on the circumstances (see BACKGROUND).

The bill requires the comptroller, with the approval of the attorney general and the insurance commissioner, to arrange and offer a group hospitalization and medical and surgical insurance plan (or more than

one plan) to the surviving spouse and dependent children of any correction officer or investigator killed in the line of duty on or after July 1, 2026. (It is not clear how long a plan must be provided to an eligible surviving spouse and dependent children.) The bill requires that the surviving spouse and dependent children are not otherwise eligible for a group hospitalization and medical and surgical insurance plan for them to qualify for this plan. The law already requires the comptroller to offer a plan to surviving family members while they are receiving benefits related to the death of a state employee in the line of duty (CGS § 5-259(a)(4)) (see BACKGROUND).

EFFECTIVE DATE: July 1, 2026

### **FALLEN OFFICER AND INVESTIGATOR FUND**

The bill establishes the “Fallen Officer and Investigator Fund,” which contains any money required by law to be deposited into it. The treasurer must hold the money separate and apart from other money, funds, and accounts. Interest from fund investments must be credited to the fund. The comptroller may expend funds as payment to the surviving family and balances carry forward.

Under the bill, “surviving family” means a surviving spouse, surviving child (whether dependent or not), or surviving parent of a correction officer or an investigator killed in the line of duty, or most recently listed beneficiary on file with the officer’s or investigator’s employing state agency.

“Killed in the line of duty” means the death of a correction officer or investigator while performing his or her duties, due to an incident, an accident, or violence that caused their death or caused injuries that were the direct or proximate cause of their death, including any death that is determined to be occupationally related by a workers’ compensation insurance carrier, an employer to whom a certificate of self-insurance has been issued, or an administrative law judge for workers’ compensation purposes. It does not include the death of an officer or investigator through the officer’s or investigator’s own wanton or

willful act.

### ***Payment***

When the comptroller receives notice, in a way he prescribes, from a surviving family member of a correction officer or investigator killed in the line of duty, within available appropriations, he must pay a \$100,000 lump sum death benefit from the fund to the surviving family. The bill limits each surviving family to one lump sum death benefit and payments are made in the order in which he receives notices until the amount in the fund is depleted. The bill specifies that this payment is in addition to any other benefits the officer's or investigator's surviving family members are eligible for and the payments must not be reduced or offset because of them (for example, workers' compensation or other survivor benefits).

### ***Legislative Report***

Starting by July 1, 2026, the bill requires the comptroller to annually report to both the Judiciary and Labor and Public Employees committees a list of all fund expenditures for the prior year, the fund's current balance, and information on additional amounts needed for the fund.

### ***Regulations and Policies and Procedures***

The bill requires the comptroller to adopt implementing regulations. This includes application procedures and criteria for awarding payments among surviving family members, with priority given to awards benefiting a dependent child or children (see below) and spouse. The comptroller may implement policies and procedures needed to implement the bill while in the process of adopting these regulations if he posts a notice of intent to adopt regulations on the eRegulations system within 20 days after implementing them. These policies and procedures are valid until regulations are adopted.

Under the bill, a "dependent child" is an officer's or investigator's child, whether by blood or adoption, who is:

1. under age 22 and (a) was dependent on the officer's or

- investigator's earnings at the time of the death, (b) does not provide more than half of his or her own support, and (c) is not married or legally adopted by another person; or
2. any age and physically or mentally incapacitated and dependent on the officer's or investigator's earnings at the time of the death.

## **BACKGROUND**

### ***Fallen Hero Fund***

Under existing law, the Fallen Hero Fund, within available appropriations, gives a lump sum death benefit totaling \$100,000 to a surviving family member or beneficiary of a first responder killed in the line of duty or who sustained injuries that were the direct or proximate cause of the first responder's death. First responders are police officers, firefighters, emergency medical technicians, and paramedics.

This benefit payment is exempt from the state income tax and must not be reduced or offset due to other benefits that may be awarded (such as workers' compensation).

### ***State Employees Who Die in the Line of Duty***

By law, surviving family members of a state employee who dies in the line of duty are entitled to equal monthly payments for up to 10 years in the total amount of:

1. \$100,000 for a surviving spouse with a dependent child under age 18, plus \$50 per month for each child under 18 (until the spouse dies or remarries);
2. \$50,000 for a surviving spouse without children under age 18 (until the spouse dies or remarries); and
3. \$50,000 for a dependent parent or parents if there is no surviving spouse or child under age 18 (until both parents die) (CGS § 5-144).

**COMMITTEE ACTION**

Labor and Public Employees Committee

Joint Favorable

Yea 13 Nay 0 (03/19/2026)