

OFFICE OF FISCAL ANALYSIS

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sHB-5502

AN ACT CONCERNING HOUSING DEVELOPMENT ON CERTAIN LOTS ZONED FOR INDUSTRIAL USE OR PREVIOUSLY ZONED FOR RESIDENTIAL USE.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 27 \$	FY 28 \$
All Municipalities	Potential Revenue Loss	Minimal	Minimal
All Municipalities	Potential Savings	Minimal	Minimal
All Municipalities	Potential Grand List Impact	See Below	See Below

Explanation

The bill pushes out a provision from July 1, 2026, to January 1, 2027, that requires municipalities to allow certain developments to be built on parcels zoned for commercial or mixed-use development subject only to summary review. This moves out any impact associated with the provision by six months.

The bill also extends these provisions to certain middle housing and mixed-use developments. This results in a grand list impact that is dependent on how the land would have otherwise been used.

This may also result in a potential savings and potential revenue loss to municipalities beginning in FY 27 to the extent fewer public hearings are held and fewer permit fees are collected as summary review does

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not require a public hearing or special permits.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.