

Veterans' and Military Affairs Committee JOINT FAVORABLE REPORT

Bill No: HB-5407 / [Bill Status](#) / [Public Hearing Testimony](#)

AN ACT CONCERNING STATE REIMBURSEMENT TO MUNICIPALITIES FOR REVENUE LOST DUE TO THE PROPERTY TAX EXEMPTION FOR VETERANS WITH A ONE HUNDRED PER CENT PERMANENT AND TOTAL

Title: DISABILITY RATING.

Vote Date: 3/10/2026

Vote Action: Joint Favorable

PH Date: 3/3/2026

File No.:

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

Rep. Daniel Gaiowski, 40th Dist.
Rep. Bill Buckbee, 67th Dist.
Rep. Anthony Nolan, 39th Dist.
Rep. Mark Anderson, 62nd Dist.
Rep. Brian Lanoue, 45th Dist.
Rep. William Heffernan, 115th Dist.

REASONS FOR BILL:

The tax exemption for 100% permanently and totally disabled veterans established in [Public Act 24-46](#) caused more revenue loss to municipalities across the state than what was projected; this has led to shrinking grand lists and increasing property taxes, especially for towns with high veteran populations. This bill would create a mechanism within the Office of Policy and Management for municipalities to apply for reimbursement for revenue loss caused by that property tax exemption

RESPONSE FROM ADMINISTRATION/AGENCY:

None expressed.

NATURE AND SOURCES OF SUPPORT:

[Tim Ackert, State Representative, Connecticut General Assembly](#): Rep. Ackert expressed his support for this bill, asserting that municipalities deserve to be reimbursed the funds that they lost due to a state mandate.

Carol Hall, State Representative, Connecticut General Assembly: Rep. Hall expressed her support for this bill, noting the significance of exempting a veteran's home from property taxes. She argued that the property tax exemption for 100% permanently and totally disabled veterans should be expanded to include the land on which the exempted building sits.

Randall Collins, Associate Director of Policy, Connecticut Conference of Municipalities: Mr. Collins expressed his support for this bill, noting that the reimbursement would provide much-needed financial relief to municipalities. He pointed out that the initial tax exemption will result in an estimated impact of over four times as much revenue loss as the originally anticipated impact, and that veterans who are not 100% permanently and totally disabled have had to shoulder the burden of increased property taxes.

Betsy Gara, Executive Director, Connecticut Council of Small Towns: Ms. Gara expressed her support for this bill, noting that the exemption as passed applied to many more veterans than it was intended to. She explained that towns have faced significant losses in revenue due to the exemption and how motor vehicle property taxes are calculated, and she pointed out that previous efforts to narrow the scope of the exemption fell short of rectifying the situation.

K. Robert Lewis, Legislative Committee Chairman, American Legion Department of Connecticut: Mr. Lewis expressed his support for this bill, decrying the uneven application of municipal-option exemptions across the state.

Allison Weir, Executive Director, Connecticut Veterans Legal Center: Ms. Weir expressed her support for this bill, pointing out that the towns with the highest veteran populations are also some of the most dependent on property taxes. She explained that without state reimbursement, the property tax exemption could exacerbate financial inequalities between municipalities and overburden small towns that already have small tax bases.

Leonard Bunnell Sr., Mayor, Town of Montville: Mr. Bunnell expressed his support for this bill, explaining the revenue loss in the Town of Montville that came about as a result of the tax exemption discussed in the bill. He noted that for the 2024 Grand List, the town lost \$237,360.77 in revenue, and for the 2025 Grand List the town lost \$360,491.90 in revenue.

Michael Criss, First Selectman, Town of Harwinton: Mr. Criss expressed his support for this bill, explaining that while the Town of Harwinton is proud to honor the service of permanently and totally disabled veterans, the burden of the tax exemption mentioned in this bill has been too much for the town to bear. He pointed out that any reductions to the grand list result in a combination of increased property taxes and decreased services, and reimbursing municipalities for the revenue loss caused by the 100% permanently and totally disabled veteran property tax exemption would diminish the negative effects of the exemption.

Daniel Jerram, First Selectman, Town of New Hartford: Mr. Jerram expressed his support for this bill and explained the discrepancy between the anticipated revenue loss and the actual revenue loss as a result of the property tax exemption for veterans with a 100% permanent and total disability rating. Initially the Town of New Hartford was notified that they could expect to lose roughly \$5,000 in revenue; after the implementation of the exemption,

the town lost over \$100,000 in revenue due to the exemption. He stressed the importance of relieving this fiscal burden on municipalities around the state.

John Burt, Town Manager, Town of Groton: Mr. Burt expressed his support for this bill and explained the revenue loss to the Town of Groton that came about as a result of the property tax exemption for 100% permanently and totally disabled veterans. The initial estimated revenue loss for the town was \$135,000, but in the 2024 Grand List the town lost \$337,550 in revenue, and in the 2025 Grand List the town lost \$449,870. He noted that while Groton supports tax relief for veterans, without reimbursement the tax exemption would have unintended consequences on other taxpayers and on municipalities.

Adrianna Hedwall, Assessor, Town of Ledyard: Ms. Hedwall expressed her support for this bill, noting that it would afford much needed relief to the municipalities most affected by the property tax exemption for 100% permanently and totally disabled veterans.

John Rainaldi, Assessor, Town of Windham: Mr. Rainaldi expressed his support for this bill, explaining some of the history behind the tax exemption for 100% permanently and totally disabled veterans and stressing the importance of protecting municipalities from the full effects of the accompanying revenue loss.

Amanda Kennedy, Executive Director, Southeastern Connecticut Council of Governments: Ms. Kennedy expresses her support for this bill, explaining that the imprecise language of the initial property tax exemption and a disproportionately high proportion of veterans have caused it to disproportionately impact municipalities in southeastern Connecticut. She stressed the importance of relieving that burden on municipalities in the SECOG region.

Thomas Bonanno: Mr. Bonanno expressed his support for this bill and requested that the committee expand the scope of the bill to reimburse municipalities for revenue lost due to all property tax exemptions for veterans, as well as raise the minimum tax exemption for veterans to \$50,000. He explained that he and a late friend of his had testified before the Veterans' and Military Affairs Committee the year prior regarding increasing the base veterans' property tax exemption from \$1,500 to \$20,000, and he expressed his frustration that he was later informed the measure would likely not pass.

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Sam Sims

Date: 3/20/26