



General Assembly

February Session, 2026

Raised Bill No. 5418

LCO No. 2085



Referred to Committee on HIGHER EDUCATION AND
EMPLOYMENT ADVANCEMENT

Introduced by:
(HED)

***AN ACT CONCERNING THE KIRKLYN M. KERR PROGRAM AT THE
UNIVERSITY OF CONNECTICUT.***

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

1 Section 1. Section 10a-19h of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2027*):

3 (a) For the purposes of this section, "veterinary student" means an in-
4 state resident enrolled in an accredited veterinary graduate school.

5 (b) The president of The University of Connecticut shall establish and
6 administer the Kirklyn M. Kerr program to support the veterinary
7 medicine education of not more than [five] ten veterinary students per
8 cohort. Each cohort may be funded for a four-year period pursuant to
9 the provisions of subsection (c) of this section.

10 (c) Any state resident may apply, in the form and manner prescribed
11 by The University of Connecticut, for a grant to attend a veterinary
12 graduate school under the Kirklyn M. Kerr program. Each grant
13 recipient shall receive a grant for four years in the amount of the

14 difference between the cost of in-state tuition and out-of-state tuition at
15 the veterinary graduate school approved by the university under said
16 program. Such grant shall be issued in the form of a student loan that
17 shall not be subject to repayment, provided such grant recipient, after
18 graduating from veterinary school, is a state resident and practicing
19 veterinarian, licensed pursuant to chapter 384, working in the state for
20 not fewer than five years, during which period such student loan shall
21 be forgiven at the rate of twenty per cent per annum.

22 Sec. 2. Subdivision (120) of section 12-412 of the 2026 supplement to
23 the general statutes is repealed and the following is substituted in lieu
24 thereof (*Effective July 1, 2026, and applicable to sales occurring on or after*
25 *July 1, 2026*):

26 (120) (A) Sales of the following nonprescription drugs or medicines
27 available for purchase for use in or on the body: Vitamin or mineral
28 concentrates; dietary supplements; natural or herbal drugs or
29 medicines; products intended to be taken for coughs, cold, asthma or
30 allergies, or antihistamines; laxatives; antidiarrheal medicines;
31 analgesics; antibiotic, antibacterial, antiviral and antifungal medicines;
32 antiseptics; astringents; anesthetics; steroidal medicines; anthelmintics;
33 emetics and antiemetics; antacids; any medication prepared to be used
34 in the eyes, ears or nose; cannabis sold for palliative use under the
35 provisions of chapter 420f; and opioid antagonists, as defined in section
36 17a-673a.

37 (B) Nonprescription drugs or medicines do not include cosmetics,
38 dentifrices, mouthwash, shaving and hair care products, soaps,
39 deodorants, [or] products containing cannabis or cannabinoids or
40 nonprescription drugs or medicines for animals. As used in this
41 subparagraph, "cannabis" has the same meaning as provided in section
42 21a-420 and "cannabinoids" means manufactured cannabinoids or
43 synthetic cannabinoids, as such terms are defined in section 21a-240.

44 Sec. 3. Subdivision (1) of section 12-408 of the general statutes is

45 repealed and the following is substituted in lieu thereof (*Effective July 1,*
46 *2026, and applicable to sales occurring on or after July 1, 2026*):

47 (1) (A) For the privilege of making any sales, as defined in
48 subdivision (2) of subsection (a) of section 12-407, at retail, in this state
49 for a consideration, a tax is hereby imposed on all retailers at the rate of
50 six and thirty-five-hundredths per cent of the gross receipts of any
51 retailer from the sale of all tangible personal property sold at retail or
52 from the rendering of any services constituting a sale in accordance with
53 subdivision (2) of subsection (a) of section 12-407, except, in lieu of said
54 rate, the rates provided in subparagraphs (B) to (I), inclusive, of this
55 subdivision;

56 (B) (i) At a rate of fifteen per cent with respect to each transfer of
57 occupancy, from the total amount of rent received by a hotel or lodging
58 house for the first period not exceeding thirty consecutive calendar
59 days;

60 (ii) At a rate of eleven per cent with respect to each transfer of
61 occupancy, from the total amount of rent received by a bed and
62 breakfast establishment for the first period not exceeding thirty
63 consecutive calendar days;

64 (C) With respect to the sale of a motor vehicle to any individual who
65 is a member of the armed forces of the United States and is on full-time
66 active duty in Connecticut and who is considered, under 50 App USC
67 574, a resident of another state, or to any such individual and the spouse
68 thereof, at a rate of four and one-half per cent of the gross receipts of any
69 retailer from such sales, provided such retailer requires and maintains a
70 declaration by such individual, prescribed as to form by the
71 commissioner and bearing notice to the effect that false statements made
72 in such declaration are punishable, or other evidence, satisfactory to the
73 commissioner, concerning the purchaser's state of residence under 50
74 App USC 574;

75 (D) (i) With respect to the sales of computer and data processing

76 services occurring on or after July 1, 2001, at the rate of one per cent, and
77 (ii) with respect to sales of Internet access services, on and after July 1,
78 2001, such services shall be exempt from such tax;

79 (E) (i) With respect to the sales of labor that is otherwise taxable under
80 subparagraph (C) or (G) of subdivision (2) of subsection (a) of section
81 12-407 on existing vessels and repair or maintenance services on vessels
82 occurring on and after July 1, 1999, such services shall be exempt from
83 such tax;

84 (ii) With respect to the sale of a vessel, a motor for a vessel or a trailer
85 used for transporting a vessel, at the rate of two and ninety-nine-
86 hundredths per cent, except that the sale of a vessel shall be exempt from
87 such tax if such vessel is docked in this state for sixty or fewer days in a
88 calendar year;

89 (iii) With respect to the sale of dyed diesel fuel, as defined in
90 subsection (d) of section 12-487, sold by a marine fuel dock exclusively
91 for marine purposes, at the rate of two and ninety-nine-hundredths per
92 cent;

93 (F) With respect to patient care services for which payment is
94 received by the hospital on or after July 1, 1999, and prior to July 1, 2001,
95 at the rate of five and three-fourths per cent and on and after July 1, 2001,
96 such services shall be exempt from such tax;

97 (G) With respect to the rental or leasing of a passenger motor vehicle
98 for a period of thirty consecutive calendar days or less, at a rate of nine
99 and thirty-five-hundredths per cent;

100 (H) With respect to the sale of (i) a motor vehicle for a sales price
101 exceeding fifty thousand dollars, at a rate of seven and three-fourths per
102 cent on the entire sales price, (ii) jewelry, whether real or imitation, for
103 a sales price exceeding five thousand dollars, at a rate of seven and
104 three-fourths per cent on the entire sales price, and (iii) an article of
105 clothing or footwear intended to be worn on or about the human body,

106 a handbag, luggage, umbrella, wallet or watch for a sales price
107 exceeding one thousand dollars, at a rate of seven and three-fourths per
108 cent on the entire sales price. For purposes of this subparagraph, "motor
109 vehicle" has the meaning provided in section 14-1, but does not include
110 a motor vehicle subject to the provisions of subparagraph (C) of this
111 subdivision, a motor vehicle having a gross vehicle weight rating over
112 twelve thousand five hundred pounds, or a motor vehicle having a
113 gross vehicle weight rating of twelve thousand five hundred pounds or
114 less that is not used for private passenger purposes, but is designed or
115 used to transport merchandise, freight or persons in connection with
116 any business enterprise and issued a commercial registration or more
117 specific type of registration by the Department of Motor Vehicles;

118 (I) With respect to the sale of meals, as defined in subdivision (13) of
119 section 12-412, sold by an eating establishment, caterer or grocery store;
120 and spirituous, malt or vinous liquors, soft drinks, sodas or beverages
121 such as are ordinarily dispensed at bars and soda fountains, or in
122 connection therewith; in addition to the tax imposed under
123 subparagraph (A) of this subdivision, at the rate of one per cent;

124 (J) The rate of tax imposed by this chapter shall be applicable to all
125 retail sales upon the effective date of such rate, except that a new rate
126 that represents an increase in the rate applicable to the sale shall not
127 apply to any sales transaction wherein a binding sales contract without
128 an escalator clause has been entered into prior to the effective date of the
129 new rate and delivery is made within ninety days after the effective date
130 of the new rate. For the purposes of payment of the tax imposed under
131 this section, any retailer of services taxable under subdivision (37) of
132 subsection (a) of section 12-407, who computes taxable income, for
133 purposes of taxation under the Internal Revenue Code of 1986, or any
134 subsequent corresponding internal revenue code of the United States,
135 as amended from time to time, on an accounting basis that recognizes
136 only cash or other valuable consideration actually received as income
137 and who is liable for such tax only due to the rendering of such services
138 may make payments related to such tax for the period during which

139 such income is received, without penalty or interest, without regard to
140 when such service is rendered;

141 (K) (i) For calendar quarters ending on or after September 30, 2019,
142 the commissioner shall deposit into the regional planning incentive
143 account, established pursuant to section 4-66k, six and seven-tenths per
144 cent of the amounts received by the state from the tax imposed under
145 subparagraph (B) of this subdivision and ten and seven-tenths per cent
146 of the amounts received by the state from the tax imposed under
147 subparagraph (G) of this subdivision;

148 (ii) For calendar quarters ending on or after September 30, 2018, the
149 commissioner shall deposit into the Tourism Fund established under
150 section 10-395b ten per cent of the amounts received by the state from
151 the tax imposed under subparagraph (B) of this subdivision;

152 (L) (i) For calendar months commencing on or after July 1, 2021, but
153 prior to July 1, 2023, the commissioner shall deposit into the municipal
154 revenue sharing account established pursuant to section 4-66l seven and
155 nine-tenths per cent of the amounts received by the state from the tax
156 imposed under subparagraph (A) of this subdivision, including such
157 amounts received on or after July 1, 2023, attributable to the fiscal year
158 ending June 30, 2023; and

159 (ii) For calendar months commencing on or after July 1, 2023, the
160 commissioner shall deposit into the Municipal Revenue Sharing Fund
161 established pursuant to section 4-66p seven and nine-tenths per cent of
162 the amounts received by the state from the tax imposed under
163 subparagraph (A) of this subdivision; [and]

164 (M) (i) For calendar months commencing on or after July 1, 2017, the
165 commissioner shall deposit into the Special Transportation Fund
166 established under section 13b-68 seven and nine-tenths per cent of the
167 amounts received by the state from the tax imposed under
168 subparagraph (A) of this subdivision;

169 (ii) For calendar months commencing on or after July 1, 2018, but
170 prior to July 1, 2019, the commissioner shall deposit into the Special
171 Transportation Fund established under section 13b-68 eight per cent of
172 the amounts received by the state from the tax imposed under
173 subparagraphs (A) and (H) of this subdivision on the sale of a motor
174 vehicle;

175 (iii) For calendar months commencing on or after July 1, 2019, but
176 prior to July 1, 2020, the commissioner shall deposit into the Special
177 Transportation Fund established under section 13b-68 seventeen per
178 cent of the amounts received by the state from the tax imposed under
179 subparagraphs (A) and (H) of this subdivision on the sale of a motor
180 vehicle;

181 (iv) For calendar months commencing on or after July 1, 2020, but
182 prior to July 1, 2021, the commissioner shall deposit into the Special
183 Transportation Fund established under section 13b-68 twenty-five per
184 cent of the amounts received by the state from the tax imposed under
185 subparagraphs (A) and (H) of this subdivision on the sale of a motor
186 vehicle;

187 (v) For calendar months commencing on or after July 1, 2021, but
188 prior to July 1, 2022, the commissioner shall deposit into the Special
189 Transportation Fund established under section 13b-68 seventy-five per
190 cent of the amounts received by the state from the tax imposed under
191 subparagraphs (A) and (H) of this subdivision on the sale of a motor
192 vehicle; and

193 (vi) For calendar months commencing on or after July 1, 2022, the
194 commissioner shall deposit into the Special Transportation Fund
195 established under section 13b-68 one hundred per cent of the amounts
196 received by the state from the tax imposed under subparagraphs (A)
197 and (H) of this subdivision on the sale of a motor vehicle; and

198 (N) For calendar months commencing on or after July 1, 2026, the
199 commissioner shall deposit into the Kirklyn M. Kerr account,

200 established under section 6 of this act, an amount not less than six
201 million dollars of the amounts received by the state, in aggregate, from
202 the tax imposed under subparagraph (A) of this subdivision and
203 subparagraph (A) of subdivision (1) of section 12-411, as amended by
204 this act.

205 Sec. 4. Subdivision (1) of section 12-411 of the general statutes is
206 repealed and the following is substituted in lieu thereof (*Effective July 1,*
207 *2026*):

208 (A) An excise tax is hereby imposed on the storage, acceptance,
209 consumption or any other use in this state of tangible personal property
210 purchased from any retailer for storage, acceptance, consumption or any
211 other use in this state, the acceptance or receipt of any services
212 constituting a sale in accordance with subdivision (2) of subsection (a)
213 of section 12-407, purchased from any retailer for consumption or use in
214 this state, or the storage, acceptance, consumption or any other use in
215 this state of tangible personal property which has been manufactured,
216 fabricated, assembled or processed from materials by a person, either
217 within or without this state, for storage, acceptance, consumption or any
218 other use by such person in this state, to be measured by the sales price
219 of materials, at the rate of six and thirty-five-hundredths per cent of the
220 sales price of such property or services, except, in lieu of said rate:

221 (B) (i) At a rate of fifteen per cent of the rent paid to a hotel or lodging
222 house for the first period not exceeding thirty consecutive calendar
223 days;

224 (ii) At a rate of eleven per cent of the rent paid to a bed and breakfast
225 establishment for the first period not exceeding thirty consecutive
226 calendar days;

227 (C) With respect to the storage, acceptance, consumption or use in
228 this state of a motor vehicle purchased from any retailer for storage,
229 acceptance, consumption or use in this state by any individual who is a
230 member of the armed forces of the United States and is on full-time

231 active duty in Connecticut and who is considered, under 50 App USC
232 574, a resident of another state, or to any such individual and the spouse
233 of such individual at a rate of four and one-half per cent of the sales price
234 of such vehicle, provided such retailer requires and maintains a
235 declaration by such individual, prescribed as to form by the
236 commissioner and bearing notice to the effect that false statements made
237 in such declaration are punishable, or other evidence, satisfactory to the
238 commissioner, concerning the purchaser's state of residence under 50
239 App USC 574;

240 (D) (i) With respect to the acceptance or receipt in this state of labor
241 that is otherwise taxable under subparagraph (C) or (G) of subdivision
242 (2) of subsection (a) of section 12-407 on existing vessels and repair or
243 maintenance services on vessels occurring on and after July 1, 1999, such
244 services shall be exempt from such tax;

245 (ii) (I) With respect to the storage, acceptance or other use of a vessel
246 in this state, at the rate of two and ninety-nine-hundredths per cent,
247 except that such storage, acceptance or other use shall be exempt from
248 such tax if such vessel is docked in this state for sixty or fewer days in a
249 calendar year;

250 (II) With respect to the storage, acceptance or other use of a motor for
251 a vessel or a trailer used for transporting a vessel in this state, at the rate
252 of two and ninety-nine-hundredths per cent;

253 (III) With respect to the storage, acceptance or other use of dyed diesel
254 fuel, as defined in subsection (d) of section 12-487, exclusively for
255 marine purposes, at the rate of two and ninety-nine-hundredths per
256 cent;

257 (E) (i) With respect to the acceptance or receipt in this state of
258 computer and data processing services purchased from any retailer for
259 consumption or use in this state occurring on or after July 1, 2001, at the
260 rate of one per cent of such services, and (ii) with respect to the
261 acceptance or receipt in this state of Internet access services, on and after

262 July 1, 2001, such services shall be exempt from such tax;

263 (F) With respect to the acceptance or receipt in this state of patient
264 care services purchased from any retailer for consumption or use in this
265 state for which payment is received by the hospital on or after July 1,
266 1999, and prior to July 1, 2001, at the rate of five and three-fourths per
267 cent and on and after July 1, 2001, such services shall be exempt from
268 such tax;

269 (G) With respect to the rental or leasing of a passenger motor vehicle
270 for a period of thirty consecutive calendar days or less, at a rate of nine
271 and thirty-five-hundredths per cent;

272 (H) With respect to the acceptance or receipt in this state of (i) a motor
273 vehicle for a sales price exceeding fifty thousand dollars, at a rate of
274 seven and three-fourths per cent on the entire sales price, (ii) jewelry,
275 whether real or imitation, for a sales price exceeding five thousand
276 dollars, at a rate of seven and three-fourths per cent on the entire sales
277 price, and (iii) an article of clothing or footwear intended to be worn on
278 or about the human body, a handbag, luggage, umbrella, wallet or
279 watch for a sales price exceeding one thousand dollars, at a rate of seven
280 and three-fourths per cent on the entire sales price. For purposes of this
281 subparagraph, "motor vehicle" has the meaning provided in section 14-
282 1, but does not include a motor vehicle subject to the provisions of
283 subparagraph (C) of this subdivision, a motor vehicle having a gross
284 vehicle weight rating over twelve thousand five hundred pounds, or a
285 motor vehicle having a gross vehicle weight rating of twelve thousand
286 five hundred pounds or less that is not used for private passenger
287 purposes, but is designed or used to transport merchandise, freight or
288 persons in connection with any business enterprise and issued a
289 commercial registration or more specific type of registration by the
290 Department of Motor Vehicles;

291 (I) With respect to the acceptance or receipt in this state of meals, as
292 defined in subdivision (13) of section 12-412, sold by an eating

293 establishment, caterer or grocery store; and spirituous, malt or vinous
294 liquors, soft drinks, sodas or beverages such as are ordinarily dispensed
295 at bars and soda fountains, or in connection therewith; in addition to the
296 tax imposed under subparagraph (A) of this subdivision, at the rate of
297 one per cent;

298 (J) (i) For calendar quarters ending on or after September 30, 2019, the
299 commissioner shall deposit into the regional planning incentive
300 account, established pursuant to section 4-66k, six and seven-tenths per
301 cent of the amounts received by the state from the tax imposed under
302 subparagraph (B) of this subdivision and ten and seven-tenths per cent
303 of the amounts received by the state from the tax imposed under
304 subparagraph (G) of this subdivision;

305 (ii) For calendar quarters ending on or after September 30, 2018, the
306 commissioner shall deposit into the Tourism Fund established under
307 section 10-395b ten per cent of the amounts received by the state from
308 the tax imposed under subparagraph (B) of this subdivision;

309 (K) (i) For calendar months commencing on or after July 1, 2021, but
310 prior to July 1, 2023, the commissioner shall deposit into the municipal
311 revenue sharing account established pursuant to section 4-66l seven and
312 nine-tenths per cent of the amounts received by the state from the tax
313 imposed under subparagraph (A) of this subdivision, including such
314 amounts received on or after July 1, 2023, attributable to the fiscal year
315 ending June 30, 2023; and

316 (ii) For calendar months commencing on or after July 1, 2023, the
317 commissioner shall deposit into the Municipal Revenue Sharing Fund
318 established pursuant to section 4-66p seven and nine-tenths per cent of
319 the amounts received by the state from the tax imposed under
320 subparagraph (A) of this subdivision; [and]

321 (L) (i) For calendar months commencing on or after July 1, 2017, the
322 commissioner shall deposit into said Special Transportation Fund seven
323 and nine-tenths per cent of the amounts received by the state from the

324 tax imposed under subparagraph (A) of this subdivision;

325 (ii) For calendar months commencing on or after July 1, 2018, but
326 prior to July 1, 2019, the commissioner shall deposit into the Special
327 Transportation Fund established under section 13b-68 eight per cent of
328 the amounts received by the state from the tax imposed under
329 subparagraphs (A) and (H) of this subdivision on the acceptance or
330 receipt in this state of a motor vehicle;

331 (iii) For calendar months commencing on or after July 1, 2019, but
332 prior to July 1, 2020, the commissioner shall deposit into the Special
333 Transportation Fund established under section 13b-68 seventeen per
334 cent of the amounts received by the state from the tax imposed under
335 subparagraphs (A) and (H) of this subdivision on the acceptance or
336 receipt in this state of a motor vehicle;

337 (iv) For calendar months commencing on or after July 1, 2020, but
338 prior to July 1, 2021, the commissioner shall deposit into the Special
339 Transportation Fund established under section 13b-68 twenty-five per
340 cent of the amounts received by the state from the tax imposed under
341 subparagraphs (A) and (H) of this subdivision on the acceptance or
342 receipt in this state of a motor vehicle;

343 (v) For calendar months commencing on or after July 1, 2021, but
344 prior to July 1, 2022, the commissioner shall deposit into the Special
345 Transportation Fund established under section 13b-68 seventy-five per
346 cent of the amounts received by the state from the tax imposed under
347 subparagraphs (A) and (H) of this subdivision on the acceptance or
348 receipt in this state of a motor vehicle; and

349 (vi) For calendar months commencing on or after July 1, 2022, the
350 commissioner shall deposit into the Special Transportation Fund
351 established under section 13b-68 one hundred per cent of the amounts
352 received by the state from the tax imposed under subparagraphs (A)
353 and (H) of this subdivision on the acceptance or receipt in this state of a
354 motor vehicle; and

355 (M) For calendar months commencing on or after July 1, 2026, the
 356 commissioner shall deposit into the Kirklyn M. Kerr account,
 357 established under section 6 of this act, an amount not less than six
 358 million dollars of the amounts received by the state, in aggregate, from
 359 the tax imposed under subparagraph (A) of this subdivision and
 360 subparagraph (A) of subdivision (1) of section 12-408, as amended by
 361 this act.

362 Sec. 5. (NEW) (*Effective July 1, 2026*) The Department of Agriculture
 363 shall establish a memorandum of understanding with The University of
 364 Connecticut for the use of funds in the Kirklyn M. Kerr account,
 365 established pursuant to section 6 of this act, to award grants to
 366 veterinary students under the Kirklyn M. Kerr program established
 367 pursuant to section 10a-9h of the general statutes.

368 Sec. 6. (NEW) (*Effective July 1, 2026*) There is established an account
 369 to be known as the "Kirklyn M. Kerr account", which shall be a separate,
 370 nonlapsing account. The account shall contain any moneys required by
 371 law to be deposited in the account. Moneys in the account shall be
 372 expended by the Department of Agriculture for the purposes of the
 373 memorandum of understanding with The University of Connecticut
 374 concerning the Kirklyn M. Kerr program, established pursuant to
 375 section 10a-19h of the general statutes, as amended by this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2027</i>	10a-19h
Sec. 2	<i>July 1, 2026, and applicable to sales occurring on or after July 1, 2026</i>	12-412(120)
Sec. 3	<i>July 1, 2026, and applicable to sales occurring on or after July 1, 2026</i>	12-408(1)
Sec. 4	<i>July 1, 2026</i>	12-411(1)

Sec. 5	<i>July 1, 2026</i>	New section
Sec. 6	<i>July 1, 2026</i>	New section

Statement of Purpose:

To establish a grant program to offset the tuition paid by veterinary students and require such students to reside in the state for not fewer than five years after graduation.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]