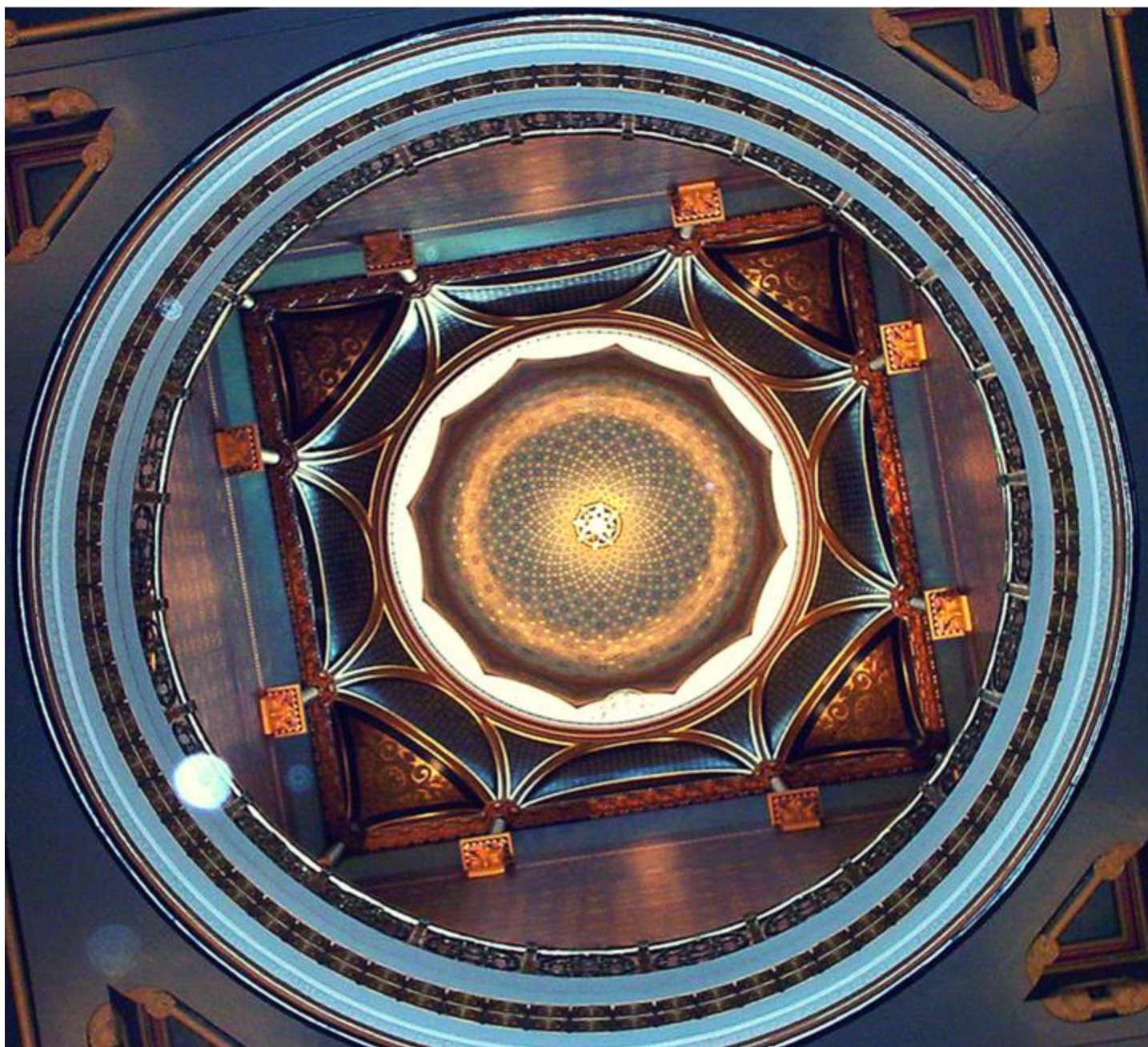


MAJOR PUBLIC ACTS

2025 LEGISLATIVE SESSION



OFFICE OF LEGISLATIVE RESEARCH

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Connecticut General Assembly

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Notice to Readers

These summaries, composed by the Office of Legislative Research (OLR) with the assistance of the Office of Fiscal Analysis (OFA), briefly describe the most significant, far-reaching, and publicly debated acts adopted by the General Assembly in its 2025 regular session. Acts that have been assigned a public act (PA), special act (SA), or resolution act (RA) number are identified by that number; otherwise, we refer to the bill or resolution number.

Not all provisions of the acts are included. More detailed summaries can be found at <https://cga.ct.gov/olr/>. Summaries of the major acts and all other public acts will be provided in our 2025 Public Act Summary Book, which will be available later this year.

OLR also produces several “Acts Affecting” reports highlighting legislation in the following policy areas: animals and agriculture, banks, business and jobs, children, criminal justice and public safety, education, energy and utilities, environment, first responders, health professionals, higher education, housing and real estate, insurance, municipalities, people with disabilities, seniors, taxes, town clerks and elections, transportation, and veterans and military. These reports will be available online later this summer.

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Aging

Biomarker Testing

This session, the legislature passed a new law that generally requires health insurance policies to cover biomarker testing to diagnose and treat patient diseases, such as cancer. Use of the testing must be supported by medical and scientific evidence, such as federal Food and Drug Administration (FDA) approval, Medicare coverage determinations, or nationally recognized clinical guidelines. Generally, biomarker testing identifies certain gene mutations, proteins, or other molecules that help health care providers diagnose diseases and choose targeted treatments that may help improve patient outcomes ([PA 25-16](#), §§ 4 & 5, effective January 1, 2026).

Discrimination in Long-term Care Facilities

A new law generally prohibits nursing homes and assisted living facilities (and their staff) from discriminating against residents based on certain characteristics and statuses, including: race, color, religious creed, sex, gender identity or expression, sexual orientation, marital status, age, national origin, ancestry, intellectual disability, mental disability, learning disability, physical disability, status as a veteran, status as a victim of domestic violence, or HIV status.

Among other things, it requires long-term care facilities to post a printed nondiscrimination notice, ensure direct care staff receive cultural competency training, and respect residents' physical privacy in the context of their care ([PA 25-17](#), § 1, effective October 1, 2025).

Banking

Earned Wage Access Products

This session, the legislature passed a law that regulates advances of money based on wages or salary that are earned but not yet paid (commonly referred to as “earned wage access” products) differently than traditional small loans. The new law subjects these income advances to finance charge caps of \$4 per advance and \$30 per month. Additionally, the new law requires providers of the advances to give borrowers certain disclosures, verify income, offer ways to receive no-cost advances, and reimburse certain banking fees. It prohibits the providers from taking certain actions generally concerning fees or charges, borrower payments, and collection practices. For example, they cannot accept repayment of the advance or finance charge by a credit or charge card or report information about repayment to a consumer reporting or consumer collection agency ([SB 1396](#), as amended, effective October 1, 2025).

Children

Early Childhood Education Endowment

A new law establishes the Early Childhood Education Endowment and funds it with transfers of estimated unappropriated surplus (up to \$300 million for FY 25, and the full estimated amount in fiscal years after that, with some exceptions). The law allows the Office of Early Childhood to use a percentage of the endowment funds (12% in FYs 26 and 27, and 10% after that) to fund early childhood program and expansion costs and health insurance subsidies for early childhood education employees. It also caps the amount that families must pay for care received through programs funded through the endowment at 7% of their annual gross income, except that families with gross incomes under \$100,000 per year pay nothing ([PA 25-93](#), §§ 1-14, as amended, effective upon passage).

School and Public Libraries

This session, the legislature passed a law that requires school and public library boards or other governing bodies to each adopt various policies related to libraries. The adopted policies must be on (1) collection development and maintenance; (2) library displays and programs; and (3) library material review, reconsideration, and removal.

The legislation requires the policies to, among other things, ensure that library materials are evaluated and made accessible according to state antidiscrimination laws, which generally prohibit discrimination based on certain attributes such as race, color, sex, gender identity, religion, national origin, sexual orientation, or disability. The requirements for schools and libraries are largely the same but differ in some aspects.

The law also grants immunity from civil liability to employees when performing their duties under the bill ([HB 7287](#), §§ 345-347, as amended, effective upon passage).

Criminal Justice and Public Safety

Civil Immigration Detainers and School Security and Safety Plans

This session, the legislature passed a law that revises the state's civil immigration detainer law. A "civil immigration detainer" is a federal immigration authority request to a local or state law enforcement agency for certain purposes, such as detaining someone suspected of violating a federal immigration law. Among other things, the state's civil immigration detainer law generally prohibits law enforcement officers, court personnel who assess and evaluate defendants for certain purposes, and school police or security department employees from (1) arresting or detaining a

person under a civil immigration detainer or (2) giving a federal immigration authority access to interview a person in law enforcement agency custody. But this protection does not apply to those convicted of a class A or B felony or identified as a possible match in a specified federal terrorist database or similar database.

The new law expands who is considered a “law enforcement officer” under the state’s civil immigration detainer law to include juvenile probation officers; prosecutors; and Division of Criminal Justice and Board of Pardons and Paroles officers, employees, and agents. It also broadens the circumstances under which a law enforcement agency may cooperate with a federal immigration authority to include cases where a person has been convicted of any of 13 specified crimes, regardless of felony status. Lastly, the new law creates a civil cause of action for an aggrieved person against a municipality for a violation of this detainer law ([PA 25-29](#), §§ 4 & 6, effective October 1, 2025).

Another new law requires (1) public school superintendents to designate at least one administrator at each school to be responsible for interacting with federal immigration authorities and (2) boards of education to update their school security and safety plans with procedures on interacting with immigration authorities. It also provides school staff with protection against discipline for following these provisions ([PA 25-1](#), §§ 1-4, effective upon passage).

Drones

A new law generally prohibits, beginning on varying dates between October 1, 2025, and October 1, 2028, state agencies, municipalities, and those who contract with either from purchasing or using certain unmanned aircraft (i.e. drones) assembled or manufactured by a covered foreign entity (e.g., China or Russia).

The same act also prohibits, with certain exceptions, (1) operating drones in close proximity to critical infrastructure facilities or to surveil these facilities or (2) equipping an aircraft or drone with a deadly weapon or certain other dangerous devices ([PA 25-1](#), §§ 5-8, effective July 1, 2025, for the foreign entity provision and October 1, 2025, for the critical infrastructure and deadly weapon provisions).

Firearm Industry Liability and Firearm Credentials

This session, the legislature passed a law allowing civil lawsuits against firearm industry members that fail to (1) establish, implement, and enforce certain measures (“reasonable controls”) related to product sales and marketing or (2) comply with certain related restrictions. For example, the controls must be designed to prevent in-state firearm sales to people banned by law from

possessing them. Under the new law, a case can be brought by someone harmed by a violation of these provisions, a municipality, or the state. (While federal law generally prohibits lawsuits against gun manufacturers, sellers, or trade associations for the criminal or unlawful misuse of firearms or ammunition by third parties, this legislation seeks to apply to one of the exceptions provided by the federal law.)

Separately, the new law (1) shortens the look-back period, from 20 to 8 years, for certain in-state misdemeanor convictions that disqualify someone from being issued various firearm credentials and (2) adds certain misdemeanor convictions from other jurisdictions to the list of disqualifying offenses for these credentials ([PA 25-43](#), effective October 1, 2025, and the provisions on firearm industry members apply to actions filed on or after that date).

Firefighter Cancer Relief Program and Account

This session, the legislature made various changes to a program that provides workers' compensation-like benefits to firefighters who have certain cancers and meet other criteria. Generally, the program requires an eligible firefighter's employer to pay the benefits and then be reimbursed from the state's firefighters cancer relief account. Among other things, two new laws:

1. generally require certain telephone and telecommunications companies to charge each subscriber (who does not opt out) a new fee of five cents per month per service line, in order to fund the account;
2. expand the types of cancers covered by the program to include skin cancer and makes changes to other eligibility criteria;
3. require the program's benefits to be provided in the same way they would be if the firefighter's cancer had been caused by an occupational disease, rather than a personal injury, under the workers' compensation law; and
4. authorizes workers' compensation administrative law judges to adjudicate a firefighter's appeal of a denial of benefits from the program ([sHB 7287](#), § 432, as amended, effective upon passage; and [PA 25-4](#), effective October 1, 2025).

Motor Vehicle Violation Enforcement

The legislature passed several laws concerning the enforcement of motor vehicle violations.

First, a new law enhances penalties under the reckless driving law for drivers who drive faster than 100mph, including increased fines and impounding the driver's vehicle for subsequent offenses. This law also allows police to stop a motor vehicle for a violation of the laws against using cannabis in a vehicle if the officer sees the operator actively consuming it and smells burnt cannabis. (Prior

law prohibited an officer from stopping a vehicle if the violation would be the only reason for the stop.) The new law also decreases the standard for what constitutes certain license plate, headlight, or windshield equipment violations, and is subject to a motor vehicle stop ([PA 25-19](#), effective October 1, 2025).

Economic and Community Development

Connecticut Community Makerspace Initiative

A new law requires the Department of Economic and Community Development (DECD) commissioner to establish and administer, by January 1, 2026, a pilot program to give financial assistance to entities establishing or expanding makerspaces. Among other things, makerspaces are community spaces that assist entrepreneurs in developing products and support workforce training and early business development. The commissioner must establish the program's eligibility criteria and application process. The new law caps funding at (1) \$250,000 for any applicant per fiscal year and (2) \$5 million for the pilot program in total. DECD must use \$1 million in previously authorized bonds for the pilot program and explore other additional funding options for the program. Within two years after receiving funding, a pilot program participant must report to DECD on the progress of establishing or expanding their makerspace ([SB 1179](#), as amended, effective July 1, 2025).

Connecticut-Puerto Rico Trade Commission

This session, the legislature established the Connecticut-Puerto Rico Trade Commission to advance bilateral trade and investment between Connecticut and Puerto Rico. Additionally, the new law requires the commission to initiate joint action on policy issues, promote business and academic exchanges, and encourage mutual economic support and infrastructure investment. Beginning by February 1, 2027, the commission must annually report to the governor, DECD, and Commerce Committee on its activities and recommendations for policy and legislative changes needed to carry out its duties ([PA 25-13](#), effective upon passage).

Release-Based Cleanup Program and Regulations

This session, the legislature made various changes to laws regarding the remediation of hazardous waste to transition the state from its transfer-based approach to property remediation (the Transfer Act) to a release-based approach under recently adopted release-based cleanup regulations (RBCRs). Among other things, a new law (1) replaces the state's voluntary remediation program with a similar "voluntary parcel-wide remediation program" incorporating the RBCRs' requirements and (2) makes the program effective on the date the RBCRs take effect (March 1, 2026) ([PA 25-6](#), most provisions effective upon passage).

Additionally, among other things, another new law requires the existing working group established to advise the Department of Energy and Environmental Protection (DEEP) commissioner on developing RBCRs to continue meeting at least quarterly to evaluate the release-based cleanup program's implementation and efficacy and review and make recommendations on the laws and regulations related to release-based remediation ([PA 25-54](#), most provisions effective October 1, 2025, except the provision regarding the working group is effective upon passage).

Education

ECS Funding Hold Harmless

By law, the Education Cost Sharing (ECS) grant has a multi-year phase-in schedule of incremental (1) increases for towns that are underfunded and (2) decreases, or years with no change in funding, for overfunded towns. This session the legislature passed a new law that delays, by two years, the start of the schedule to phase-in grant reductions for overfunded towns. It holds these 80 towns harmless (i.e. maintains the same funding level) for FYs 26 and 27. The decreased funding for overfunded towns starts in FY 28, rather than FY 26 ([HB 7287](#), § 323, as amended, effective July 1, 2025). (The ECS grant is the state's single largest grant for municipalities.)

Special Education Grants, Rate Schedules, and Other Changes

The legislature passed two new laws with significant changes for special education and services in public schools. One new law (1) creates a new per-student grant for all school districts based on the number of special education students in each district and (2) establishes a process for the State Department of Education (SDE) to set rates that public special education service providers can charge school boards for services and propose rates for private providers (then the proposed rates are submitted to the General Assembly for a vote). This law also requires SDE to make unannounced visits to special education programs and makes changes to the special education due process hearing procedures ([PA 25-67](#), §§ 3, 7, 9, 18, 19 & 24, most provisions effective July 1, 2025).

The other new law creates a new competitive grant to help enhance existing or establish new in-district or regional special education programs and exempts the grant funds from being included in a school district's minimum budget requirement ([PA 25-93](#), §§ 17 & 19, as amended, effective July 1, 2025).

Elections and Voting

Absentee Voting Procedures for Eligible Incarcerated Individuals

A new law creates specific procedures for incarcerated individuals who are eligible to vote to apply for, receive, and cast absentee ballots. It does so by requiring the secretary of the state to create a Department of Correction (DOC)-specific absentee ballot application form and distribute it to DOC facilities and personnel. The new law also establishes procedures for submitting these forms for processing by town clerks, as well as exempts DOC personnel from several requirements that generally apply to individuals who distribute absentee ballot applications ([HB 7287](#), §§ 313-316, as amended, effective January 1, 2026).

Campaign Finance Reform

A new law makes various changes to the state's campaign finance laws. Specifically, it (1) reduces the number of candidate committees subject to audit by the State Election Enforcement Commission (SEEC) after an election, (2) requires SEEC to create and publish a list of required documentation for treasurers to maintain and provide to SEEC, and (3) requires SEEC to livestream its commission meetings. The legislature also made various changes regarding Citizens' Election Program qualifying contributions and aggregate fundraising amounts, including adjustments for inflation, procedures for returning and reviewing nonqualifying contributions, and grant application requirements ([PA 25-26](#), most provisions effective July 1, 2025).

Energy

Electric Rates

A wide-ranging new law on electric rates and regulation includes provisions on (1) bonding for programs that would otherwise be funded by ratepayers (such as hardship protections); (2) limits and cost-containment for existing programs (such as low-income discount rates); and (3) securitization to finance storm costs and advanced metering infrastructure. Other measures in the new law may impact rates in the long-term, including (1) changes to standard service procurement, (2) electric system efficiency goals, and (3) new requirements for grid-enhancing technologies for certain transmission projects. Among other things, the new law also changes the relationship between two energy-related agencies by placing the Public Utilities Regulatory Authority within DEEP for administrative purposes only ([SB 4](#), as amended, most provisions effective October 1, 2025).

Environment

Climate Change Mitigation

A new law made various changes to greenhouse gas (GHG) emissions reductions goals and energy efficiency. Among other things, the new law (1) sets new greenhouse reduction level requirements, including an economy-wide net zero GHG emission level by January 1, 2050; (2) sets GHG reduction goals for state agencies, including a level determined to be net zero by 2050, and a separate goal for agencies to only use zero-carbon energy sources by 2030; (3) creates a statutory Connecticut Clean Economy Council to advise on strategies and policies to strengthen the state's climate mitigation, clean energy, resilience, and sustainability programs; and (4) revises the JobsCT tax rebate program to allow the DECD commissioner to give preference to applications that make significant investments in environmentally sustainable practices, are in certain environment-related economic sectors, or are for farming operations that are climate sustainable. The new law also requires the Department of Administrative Services to (1) create a model policy or guidelines for environmentally sustainable purchasing for municipal use; (2) develop a process for considering certain energy-related aspects when deciding to repair or build state real assets; and (3) develop a plan and budget to retrofit existing fossil-fuel based heating and cooling systems to those that operate without carbon based fuels ([sHB 5004](#), as amended, various effective dates).

Resiliency

A new law addresses planning and preparing for certain hazards and threats from climate change (e.g., resiliency-related actions). Among other things, the new law requires (1) updates to the state's civil preparedness and water plans to address climate impacts; (2) strategies for responding to climate change effects to be included in local, regional, and state plans of conservation and development; (3) towns to consider sea level rise in zoning regulations; and (4) flood risk disclosures for home buyers and renters. It also (1) expands the eligible uses of municipal Town Aid Road program grants to include projects that increase resiliency and (2) allows municipalities to establish resiliency improvement districts to finance capital projects to address climate change mitigation, adaptation, or resilience ([PA 25-33](#), various effective dates).

General Law

Consumer Protection Laws

A new law makes various unrelated changes to consumer protection laws. This law:

1. generally prohibits businesses that offer to sell, lease, or provide any goods or services to any individual or entity from advertising, displaying, or offering them for a price that does not include all fees, charges, and costs, excluding applicable taxes;

2. requires (a) providers of certain Internet-connected devices to prominently display and disclose certain information about the device's camera or microphone before activation and (b) anyone who records and transmits any personally identifying information collected through a device's camera or microphone to use reasonable security measures;
3. requires certain electronic or appliance manufacturers to make available, on fair and reasonable terms, product repair manuals, functional parts, and tools (i.e. right-to-repair);
4. requires all municipalities, by July 1, 2027, to maintain a ".gov" Internet domain and redirect other domains they use to that website or stop using them;
5. expands the price gouging law's application during certain declared emergencies beyond the retail sale of consumer goods to other supply chain transactions (e.g., wholesale) and to rental and lease transactions;
6. requires each business that enters into a consumer agreement that includes an automatic renewal or continuous services provision to (a) send consumers an annual reminder with certain information and (b) enable consumers to stop the renewal or services through a website, email, or telephone; and
7. generally requires a landlord advertising, displaying, or offering a dwelling unit for rent to include any fee, charge, or cost that the tenant is required to pay on a periodic basis ([PA 25-44](#), various effective dates).

Enforcement of Cannabis, Hemp, and Tobacco Laws

A new law enhances the state's enforcement laws on cannabis, hemp, and tobacco sales. Among other things, the new law:

1. requires the local police chief to send written comments for a cigarette dealer license renewal and the Department of Revenue Services to respond in writing, under certain circumstances;
2. requires the Department of Consumer Protection (DCP) to establish a Cannabis Control Division and requires the division to organize and conduct comprehensive compliance initiatives (i.e. coordinated efforts by multiple government agencies to conduct unannounced compliance checks);
3. establishes a Statewide Cannabis and Hemp Enforcement Policy Board and requires it to meet quarterly to identify enforcement opportunities;
4. makes various changes to e-cigarette dealer requirements, such as requiring certain signs, prohibiting underaged individuals on the business premises under certain circumstances, and increasing license application fees and certain penalties;
5. places substantially similar restrictions on and requirements for shipping, transporting, and selling e-cigarettes as under existing law for cigarettes;

6. adds cannabis products as items only certain cannabis establishments may sell;
7. broadens the circumstances under which a municipality may prohibit a business from operating by adding additional items to what is considered an “immediate threat to public health and safety”;
8. generally limits the hours a cannabis retailer, hybrid retailer, or certain micro-cultivators may sell cannabis to 10:00 a.m. to 6:00 p.m. on Sundays and 8:00 a.m. to 10:00 p.m. any other day;
9. increases the penalties for a cannabis establishment licensee selling or delivering cannabis to someone under age 21 and makes it a class E felony for them to sell or deliver synthetic cannabinoids to anyone; and
10. requires e-cigarette sellers to ask all prospective buyers to present identification to prove that they are age 21 or older ([sHB 7181](#), as amended, various sections and effective dates).

Government Administration

Library E-Book Contracts

A new law prohibits publicly funded libraries from entering or renewing contracts and licensing agreements for electronic literary materials (such as eBooks) that contain certain provisions that prevent, limit, or restrict the library from performing certain customary operational or lending functions. However, the prohibition only applies after other states with a combined population of at least seven million have enacted a substantially similar law.

Once effective, the new law will prohibit provisions in these contracts and agreements that, among other things, (1) restrict the number of times the library may loan electronic literary material over the course of the agreement if it also restricts the library’s loan period for the material, (2) limit the number of licenses the library can buy on the day the material is made available for public purchase, (3) prohibit the library from making nonpublic preservation copies, or (4) restrict the duration of the agreement for electronic literary material unless the library also has the option of an agreement on commercially reasonable terms ([PA 25-9](#), effective July 1, 2025).

State Set-Aside Program Changes

A new law made significant revisions to the state’s Small and Minority Owned Business Set-Aside Program. Previously, the program generally required state agencies and contractors awarded certain state-financed municipal public works or quasi-public agency contracts to set aside or reserve (1) 25% of the total value of the contracts for exclusive bidding by small contractors and (2) 25% of that amount (6.25% of the total) for exclusive bidding by small contractors that are minority owned business enterprises. The new law converts the set-aside program into a spending allocation

program by, among other things, replacing the fixed 25% set-aside requirements with (1) annual spending allocation goals for goods and services by industry category and (2) contract-specific spending allocation goals for public works contracts based on the percentage of available businesses in the relevant industry and geographic market area.

Among other things, the new law also (1) makes a state contractor's failure to timely pay a subcontractor a discriminatory practice subject to Commission on Human Rights and Opportunities (CHRO) investigation and enforcement and (2) requires CHRO to develop and issue a request for a proposal to perform a disparity study every five years ([HB 7287](#), §§ 212-241, as amended, effective October 1, 2025).

Higher Education

Debt-Free College Expansion

This session, the legislature created a new debt-free college program called Finish Line Scholars. The Board of Regents for Higher Education (BOR) must establish this program (within available appropriations) to allow students who received a Mary Ann Handley program award to attend community college debt free to then enroll in a bachelor's program at Charter Oak State College or the Connecticut State Colleges and Universities (CSCU). Under this program, which must begin with the fall 2026 semester, award amounts must be the same as under the Mary Ann Handley Award, and the award cannot be used to replace a student's financial aid ([HB 7287](#), § 78, as amended, effective July 1, 2025).

Higher Education Management and Fiscal Accountability

A new law requires the UConn Board of Trustees and BOR (which oversees CSCU, Connecticut State Community College, and Charter Oak State College) to adopt or update certain management and fiscal accountability policies by January 1, 2026. These policies address: (1) use of purchasing cards and state vehicles; (2) residency requirements for certain executive positions, including the UConn president and CSCU chancellor; and (3) training on business functions and compliance practices.

The new law also (1) requires BOR to appoint a compliance officer by January 1, 2026, to conduct regular audits and (2) specifies that UConn and the institutions BOR oversees must submit expense information for inclusion in the comptroller's online database of expenditures ([PA 25-71](#), effective July 1, 2025).

Student Athlete Compensation

A new law expands when student athletes can receive compensation through endorsement contracts for use of their person, name, image, or likeness (NIL) and authorizes higher education institutions, or entities acting on their behalf, to compensate student athletes through these contracts or revenue sharing agreements ([PA 25-1](#), §§ 12 & 13, effective March 3, 2025). Two proposed legal settlements, which are not yet approved and do not directly involve Connecticut higher education institutions, could result in, among other things, changes to National Collegiate Athletic Association (NCAA) rules governing student athletes, current and certain former student athletes receiving compensation, and creation of a revenue sharing system that permits higher education institutions to compensate student athletes in the future (*In re: College Athlete NIL Litigation*, Case No. 4:20-cv-03919-CW (N.D. Cal.); *Hubbard v. NCAA*, Case No. 4:23-cv-01593 (N.D. Cal.)).

Housing

Bond-Funded Housing Programs

A new law authorizes bond funds for various housing initiatives, including those aimed at assisting first-time homebuyers and increasing new housing construction. These authorizations include up to:

1. \$120 million over the biennium for the Connecticut Housing Finance Authority's (CHFA) Time to Own forgivable downpayment assistance program;
2. \$100 million over the biennium for a Department of Housing (DOH) grant program supporting housing authorities in expanding middle housing (i.e. two to nine units) availability in towns with a population of 50,000 or less;
3. \$50 million over the next four fiscal years for a DOH program that funds affordable housing development projects creating employment opportunities in the construction industry;
4. \$20 million over the biennium for a CHFA-administered loan program (Homes for CT) that helps to finance new residential construction with loan guarantees;
5. \$12 million over the biennium for DOH grants to landlords who provide housing to formerly incarcerated people;
6. \$10 million in FY 26 for a DOH supportive housing grant program for people with intellectual or other developmental disabilities (such as autism spectrum disorder);
7. \$2 million in FY 26 for a DOH Affordable Housing Real Estate Investment Trust pilot program, aimed at increasing deed-restricted affordable housing stock by providing grants to entities for acquiring these units in certain municipalities; and

8. \$30 million in FY 26 for DECD to give grants for infrastructure projects needed to support housing or economic development in rural areas ([HB 7288](#), various effective dates, see also [PA 25-49](#), §§ 9, 27 & 36).

First-Time Homebuyers, Renters, and People Experiencing Homelessness

This session, the legislature enacted a new law that, among other things, creates a first-time homebuyer savings program generally allowing individuals and employers to contribute into specialized savings accounts to be used for a beneficiary's eligible homebuying expenses and receive tax benefits for doing so.

It also generally (1) makes it an unlawful practice in violation of the Connecticut Antitrust Act for anyone to use a revenue management device to set rental rates or occupancy levels for residential dwelling units and (2) requires municipalities with a population of at least 15,000, by January 1, 2028, to create a fair rent commission or join a joint or regional commission.

The new law also helps people experiencing homelessness in various ways, such as by requiring DOH to administer a pilot program to provide them portable showers and laundry facilities in certain municipalities ([PA 25-49](#), various sections and effective dates). (Provisions of this new law are also discussed under the "Municipalities" section below.)

Human Services

Katie Beckett Waiting List

After convening a working group on the topic over the interim, the legislature enacted a law to address long waiting lists for the Katie Beckett Medicaid waiver, which allows children with severe physical disabilities to be eligible for Medicaid home- and community-based care. The new law requires the Department of Social Services (DSS) to develop a five-year plan to eliminate the program's waiting list and report to the Appropriations and Human Services committees on appropriations needed to implement the plan. Among other things, the new law also requires DSS to administer an annual survey to applicants on the waiting list to allow them to confirm or update their information and choose to be removed or remain on the list ([PA 25-42](#), most provisions effective upon passage).

State-Contracted Nonprofit Human Services Provider Rates

A new law, beginning July 1, 2027, annually increases for inflation the rates paid to state-contracted nonprofit providers who perform behavioral health services or services for people with physical, intellectual, or developmental disabilities. Specifically, the new law requires any state

agency contracting with a nonprofit provider to increase rates for recurring contracts by the percent increase in the consumer price index. Similarly, the act also requires DSS to adjust Medicaid rates in the same way for nonprofit human services providers contracting with the department. Every three years, beginning by January 1, 2026, the Office of Policy and Management (OPM) must report to the Appropriations, Human Services, and Public Health committees on state agency contracts with nonprofit human services providers and any appropriations needed for annual inflationary increases ([SB 1358](#), as amended, effective upon passage).

Insurance

Canadian Prescription Drug Importation Program

A new law, among other things, allows DCP to hire a consultant to study the feasibility of establishing a program to import prescription drugs from Canada for distribution in Connecticut.

If the program is deemed feasible, the new law authorizes the DCP commissioner, in consultation with OPM, to seek federal approval to establish the program. For this program, the new law establishes drug testing, safety, and quality requirements and standards. It creates protocols for drug tracking, tracing, recalls, embargos, and destruction. It also establishes specific requirements for participating Canadian suppliers and participating wholesalers, such as recordkeeping and administrative proceedings. The new law authorizes the DCP commissioner to (1) take certain emergency actions if public health, safety, or welfare requires it and (2) impose a civil penalty of up to \$5,000 for certain violations.

If a drug importation program is not feasible, the new law requires the DCP consultant to conduct a feasibility review of Canadian prescription drug price benchmarking and develop policy recommendations to implement price limits based on these benchmarks ([sHB 7192](#), §§ 9-18, as amended, most sections effective October 1, 2027).

Health Insurance and Patient Protection

This year, the legislature passed a new law with a range of measures intended to protect patients covered by health insurance policies. Among other things, the new law requires health carriers to annually file a mental health parity compliance certification with the insurance commissioner; makes public a carrier's compliance with mental health parity requirements; and authorizes the insurance commissioner to impose civil penalties and late fees on carriers who fail to comply with these requirements. It also (1) prohibits health carriers from requiring the use of step therapy for prescription drugs used to treat multiple sclerosis or rheumatoid arthritis; (2) removes the sunset date for the step therapy prohibition for prescription drugs used to treat schizophrenia, major

depressive disorder, or bipolar disorder; and (3) prohibits certain health insurance policies from imposing unilateral arbitrary limits on reimbursement for general anesthesia ([PA 25-94](#), as amended, various effective dates).

Labor and Public Employees

Unemployment Benefits for Striking Workers

For labor disputes that start on or after December 14, 2026, a new law generally makes striking workers eligible for unemployment benefits after they have been on strike for 14 consecutive days. Prior law generally disqualified claims for benefits during any week in which unemployment is due to a labor dispute, but the new law lifts this disqualification once the labor dispute has been continuous for 14 days ([PA 25-64](#), effective October 1, 2025).

Workers' Compensation Changes

In response to a recent state Supreme Court decision, the General Assembly passed legislation that removes an administrative law judge's discretion to award temporary partial incapacity benefits instead of permanent, partial disability (PPD) benefits once an injured employee reaches maximum medical improvement.

The new law also (1) increases the duration of certain PPD benefits and expands the list of injuries eligible for PPD benefits; (2) allows a deceased employee's parents, when there are no dependents for distribution of workers' compensation benefits, to each receive an equal portion of the benefits; (3) creates a working group to study certain workers' compensation issues; and (4) allows injured workers to receive up to 60 weeks of supplemental benefits under certain limited circumstances ([PA 25-12](#), §§ 13-16, effective upon passage, with changes to certain PPD benefits starting July 1, 2025).

Municipalities

Changing Land Use Policies

This session, a new law created several frameworks to incentivize municipalities to change their land use policies, and especially their zoning regulations, to make it easier to develop new housing. One of them creates an alternative standard for a municipality to qualify for a temporary suspension of [CGS § 8-30g](#) (which relates to affordable housing projects) if it zones at least 10% of its land to allow specified densities of housing as of right.

The new law also gives municipalities priority for specified discretionary state funding if they draft plans and policies (including zoning changes) creating a realistic opportunity for building the municipality's fair share allocation of needed affordable housing in the state. They are also eligible to be prioritized for funding if they adopt zoning regulations creating a transit-oriented district near a transit station that meets certain requirements, including allowing certain housing developments as of right. Creating these districts also makes it easier for a municipality to work with the Connecticut Municipal Development Authority, which can provide financial support and technical assistance for projects.

The new law also makes it easier to build middle housing by requiring most zoning regulations to allow middle housing developments (i.e. two to nine units) as of right on any lot zoned for commercial use ([PA 25-49](#), various effective dates.) (Other provisions from this new law are discussed under the "Housing" section above.)

Street Takeovers

A new law passed with provisions aimed at curbing street takeovers. Among other things, it authorizes municipalities to adopt ordinances prohibiting anyone from organizing, participating in, or gathering with intent to watch, and watching, a takeover. Potential fines under these ordinances are up to \$1,000 for a first, \$1,500 for a second, and \$2,000 for a subsequent violation.

The new law allows municipalities to destroy ATVs, dirt bikes, and mini-motorcycles that are seized and forfeited for violating a municipal ordinance on their use and allows all municipalities, not just those over a certain size, to adopt ordinances for the seizure and forfeiture of dirt bikes or mini-motorcycles for violations ([PA 25-80](#), generally effective October 1, 2025).

Public Health

Reproductive Health Services

This session, the legislature adopted new laws on access to reproductive health care and related issues. One new law allows minors to give consent for pregnancy- and pregnancy prevention-related care without their parents' consent or notification. These services specifically include contraceptive counseling and services, prenatal care, and appropriate care and pain management during labor and delivery (e.g., epidural administration), but not sterilization. Health care providers are prohibited from sharing any information about these services or a related consultation (including sending a bill) with the minor's parents without the minor's consent ([PA 25-28](#), effective upon passage).

A second new law creates a “safe harbor account” of the state treasurer administered by a board of trustees and funded by private sources. The account must be used to award grants to nonprofit organizations that provide funding for reproductive or gender-affirming health care services or collateral costs (such as travel, lodging, or meals) people incur while receiving these services in Connecticut ([HB 7287](#), as amended, effective July 1, 2025).

Responses to Federal Changes

A new law takes certain steps related to changes to public health-related policy at the federal level. Among other things, these include:

1. codifying the amount of fluoride that water companies must add to the water supply, rather than tying the amount to federal recommendations;
2. expressly allowing the Department of Public Health (DPH) to create an advisory committee on matters related to federal Centers for Disease Control and Prevention and FDA recommendations;
3. requiring DPH to adopt certain regulations related to the federal Emergency Medical Treatment and Labor Act if the federal law is revoked, is not adequately enforced, or no longer applies in the state; and
4. creating an account to address unexpected shortfalls in public health funding ([HB 7287](#), various sections and effective dates).

State Finances

Bonding

The FY 26-27 bond act authorizes up to \$3.24 billion for FY 26 and \$3.08 billion for FY 27 in new general obligation (GO) bonds for state projects and grant programs. It also authorizes up to \$1.57 billion for FY 26 and up to \$1.58 billion for FY 27 in new special transportation obligation (STO) bonds for transportation projects. Among its most notable provisions, the bond act:

1. authorizes GO bonds over the biennium for investments in housing programs, energy-related projects, municipal aid, state economic development assistance, school construction, and other state projects and grants;
2. creates the District Repair and Improvement Project (DRIP) program to provide financial assistance for constructing, renovating, repairing, and enlarging public school buildings, grounds, and infrastructure; and
3. creates new DECD-administered programs to (a) revitalize greyfields, (b) fund infrastructure projects needed to support housing or economic development in rural areas, (c) support capital improvements at nonprofit-owned or -operated cultural and historic sites, and (d) give

financial assistance to help develop the supply chains of major and emerging industries in Connecticut ([HB 7288](#), various sections and effective dates).

Taxes

The General Assembly enacted a number of state tax changes as part of its FY 26-27 budget and implementer act ([HB 7287](#), as amended, various sections and effective dates). Among its business tax changes, the act (1) extends the 10% corporation business tax surcharge for three additional years, to the 2026, 2027, and 2028 income years; (2) eliminates the \$2.5 million cap on the amount a combined group's tax, calculated on a combined unitary basis, can exceed the tax it would have paid on a separate basis; and (3) revamps the provider taxes on hospitals, nursing homes, and intermediate care facilities. It creates new business tax credits for eligible investments in farm equipment and property, contributions to qualifying employee Connecticut Higher Education Trust (CHET) accounts, and qualifying payments made under a new UConn tax credit incentive program. And it increases the cash refund a qualifying small biotechnology company may receive for research and development (R&D) and research and experimental (R&E) tax credits from 65% to 90% of the credit amount.

On the personal income tax side, the act increases the state earned income tax credit (EITC) by \$250 for taxpayers with at least one qualifying child. It also establishes a \$500 refundable income tax credit for taxpayers who own a state-licensed family child care home. A separate act creates an income tax credit for Connecticut residents who successfully challenge another jurisdiction for taxing their income earned in Connecticut and denying them a refund on those taxes ([SB 1558](#), § 2, as amended, effective upon passage).

Transportation

Highway Worker Safety

A new law includes several provisions intended to improve the safety of highway workers. Starting January 1, 2026, all learner's permit holders must complete a new highway work zone and roadside vehicle safety awareness program before they can get a driver's license. Drivers will also have to complete the program if they violate the state's "move over" law (which generally requires vehicles to slow down and move over for emergency vehicles) or the law on endangering highway workers. The new program must, among other things, highlight the dangers of driving unsafely in work zones and include testimonials from highway workers and their families, as well as meet other parameters the law sets.

The legislature also increased the fines for certain violations of the "move over" law and endangerment of a highway worker (which a person may be charged with after committing certain

violations in a work zone where a worker is present). For the “move over” law, the new law increases the fines for causing an emergency vehicle driver’s or occupant’s injury (from \$2,500 to \$5,000) or death (from \$10,000 to \$20,000). It increases the fines for violating the endangerment of a highway worker law and causing a worker’s injury (from \$5,000 to \$10,000) or death (from 10,000 to \$20,000) ([sHB 7160](#), §§ 26-28, 64 & 65, as amended, effective October 1, 2025).

Towing Reform

New legislation enacted this session makes significant changes to the laws on nonconsensual towing and vehicle disposal. Its major provisions include the following:

1. setting additional requirements and restrictions for towing from private property, including requiring a written authorization form for each tow and 14 days’ notice before towing a vehicle only for an expired registration;
2. requiring towing companies to (a) release vehicles after hours within four hours after a person’s request, (b) allow people to redeem their personal property without paying the towing or storage fees, and (c) accept credit and debit cards and make change;
3. requiring the Department of Motor Vehicles (DMV) to develop a towing bill of rights to inform consumers of the towing laws and specifying when it must be posted or distributed;
4. requiring DMV to establish separate rate schedules for private property trespass towing and police-ordered towing instead of one schedule for all nonconsensual towing, modifying the process for setting rates, and setting temporary rates for towing medium- and heavy-duty vehicles;
5. extending the minimum time that garage owners must hold a vehicle before they can sell it, from 15 or 45 days to 30 or 60 days, depending on the vehicle’s value, and establishing a working group to consider further reforms to the vehicle disposal process; and
6. allowing municipalities to regulate nonconsensual towing and parking facility management in a manner consistent with state law ([PA 25-55](#), most provisions effective October 1, 2025).

Veterans’ and Military Affairs

Veteran Disability Benefit Income Disregards

A new law requires DSS, as allowed by federal law, to disregard (1) U.S. Department of Veterans Affairs (U.S. DVA) administered non-service-connected pension benefits and (2) housebound pension benefits granted to a veteran, or to a surviving spouse, when determining income for certain means-tested public assistance programs. The income disregards apply to (1) HUSKY A and D; (2) the Medicare Savings Program; (3) the Connecticut Energy Assistance Program; (4) the State Supplement Program; (5) Temporary Family Assistance; (6) State-Administered General Assistance;

(7) the Connecticut Home Care Program for Elders; and (8) the State-Appropriated Fuel Assistance Program ([PA 25-95](#), §§ 2-8, as amended, effective July 1, 2025, and applicable to applications filed on or after that date).

Veteran Property Tax Exemptions

This year, a new law substantially modifies the veteran property tax exemption for permanently and totally (P&T) disabled veterans. Among other things, the new law (1) clarifies that the exemption applies to veterans that have a 100% P&T disability rating as determined by U.S. DVA; (2) expands the exemption to cover certain leased property, property held in trust for the veteran, and property possessed as part of a life estate or a term of years; (3) applies existing law's provisions regarding portability of veteran property tax exemptions to other towns; and (4) authorizes municipalities to expand the exemption to cover up to two acres of the dwelling lot as well as to qualifying veterans who died before the exemption's implementation on October 1, 2024 ([PA 25-2](#), §§ 4 & 5, effective upon passage, and [HB 7287](#), §§ 247-253, as amended, effective October 1, 2025).

The legislature also created two new municipal-option veteran property tax exemptions for (1) surviving spouses of active duty servicemembers killed in the line of duty and (2) state residents determined by U.S. DVA to have a service-connected total disability based on an individual unemployability rating. A qualifying taxpayer's primary residence, or alternatively, one motor vehicle, is fully exempt from property taxes under these exemptions ([HB 7287](#), §§ 248 & 254-256, as amended, effective October 1, 2025).